Shared Platforms and Charitable Venture Organizations

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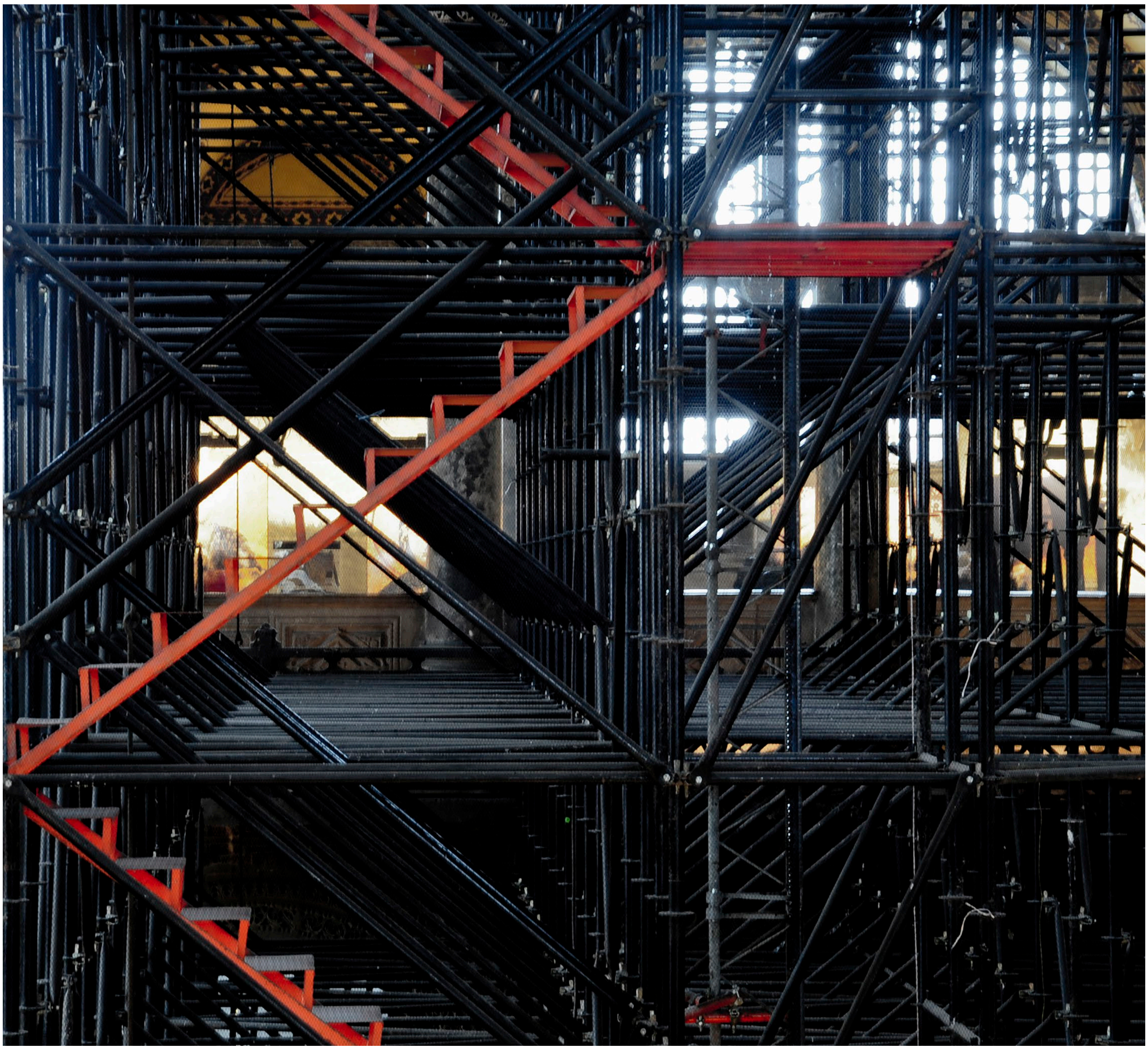
A powerful possibility for a more resilient arts sector

by Jane Marsland



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Jane Marsland

Jane Marsland has been an articulate advocate for the arts for many years and has served on a wide range of boards, advisory groups, and committees. Jane was Co-founder and Director of *ARTS 4 CHANGE,* a three-year program designed to create positive change for and by arts professionals in Toronto, as well as Co-founder and Director of Technical Assistance of the Creative Trust: Working Capital for the Arts.

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The David Stevens and Margaret Mason paper, *Tides Canada Initiatives Society: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities,* was an essential resource in writing this paper. Because almost all the available information on shared platforms comes from American sources, their report was invaluable to give a Canadian perspective on the concept and in particular the legal requirements under Canadian Tax Law.

I would like to thank Julie Tepperman and Aaron Willis, Co-Artistic Directors of Convergence Theatre, for taking such a supportive and active interest in the concept of a shared platform.

And a special thanks to Metcalf's Anne Perdue for her exceptional editing and advice to help me achieve greater clarity in the writing and the flow of ideas in the paper.

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Introduction

The environment for the arts in Canada and our arts funding system have changed dramatically over the past 20 years. It used to be that funding to arts organizations was based on ensuring an institutional structure, in many cases even a building, that would house and support the art for the long term. There were fewer arts organizations, which meant it was possible to provide a substantial percentage of public funding to their operations. But over the last couple of decades, the arts sector has experienced explosive growth.

One consequence of this change is that there are no longer enough resources in the public arts funding system to make it feasible for many of our artists to establish fully independent, adequately capitalized, charitable, non-profit organizations.

> Challenges to the current funding model are substantial. We know that the number of organizations receiving operating support from the Canada Council increased by 65% over the past two decades — from roughly 600 organizations to almost 1,000 — while over the same period the Council's per capita parliamentary appropriation in constant dollars declined by 4%.[1]

Insufficient resources are one aspect of the problem, but we also need to question whether it's an efficient use of scarce resources for every artist to incorporate as a stand-alone, charitable, non-profit organization in order to receive public and private funding.

At the same time, there is less desire among many artists to incorporate as a charitable, non-profit organization because they realize it is increasingly difficult to raise the resources required to support an ongoing organizational structure and keep it healthy. Also, many artists do not wish to work in an "operational" format, particularly in their initial stage of development. They are exploring various producing models and often prefer to work on a project-to-project basis, building appropriate relationships and collaborations to produce each work of art. Other disciplines, such as film, have always worked on a project-to-project basis.

This report focuses on the concept of shared platforms, and I present reasons why I believe it is a structure that could make a significant impact on improving the health of the arts sector. While there is currently no comprehensive model

[1] Robert Sirman, Director and CEO, Canada Council for the Arts, presentation to Annual Public Meeting on October 16, 2012.

for shared platforms in the arts in Canada, Tides Canada Initiatives (TCI) has pioneered a shared administrative platform in environmental and social justice work. Their work provides concepts and lessons applicable to the arts sector.

My intention with this paper is to stimulate an arts community dialogue on the issues facing the arts funding system and to encourage further conversation about the possibilities of shared platforms. I hope the paper offers an opportunity to bring interested parties together to explore the three models I outline and recommend and, more importantly, galvanizes the community to develop and implement models that will work for them.

The scope of my research has been primarily limited to Ontario. I have had the opportunity to be part of a research working group on shared platforms facilitated by the Laidlaw Foundation, TCI, and the Ontario Nonprofit Network. This has been very helpful in expanding my understanding of the possibilities and the complexities of shared platforms. This includes important legal requirements, operational details, and definitions about shared platforms as they are currently being developed in the non-profit sector in Ontario. I have also surveyed the broad range of options in the arts in the United States — where the term fiscal sponsorship is used — and have looked for examples that could provide valuable insights or lessons learned for the arts sector in Ontario.

Terminology

In order to prevent confusion, I have provided definitions below for various terms used throughout this paper. I especially want to distinguish the difference in terminology between American models and emerging models in Canada.

Shared platform and **Charitable Venture Organization** will be used in reference to Canadian examples:

- **Shared administrative platform** is a term used to describe a charitable, non-profit organization that assumes control and responsibility for projects with charitable purposes initiated by individuals with no prior, formal relationship with the organization. This allows these projects to access:
    - charitable sector financial support, and
    - cost-effective, professional administration expertise.

  In this document, **shared platform** will be used as a general term referring to any charitable organization providing unincorporated arts entities governance oversight, legal compliance, financial management, grant administration, human resources, and other supports that may be required.
- **Charitable Venture Organization** (CVO) will be used to refer to a specific and preferred model being proposed in this paper. I am partial to this term as I believe it captures the activities of a shared

administrative platform, as well as the more entrepreneurial manner in which it can stimulate new and innovative tools, structures, and databases to serve its project partners. A Charitable Venture Organization could eventually scale-up to a size that could have a positive impact province-wide on the arts funding system. The term comes from a Stevens/Mason paper, *Tides Canada Initiatives: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities*.

- In this paper, the term **arts entity** will be used to refer to an unincorporated project working within the structure of the CVO or shared platform.

The term **fiscal sponsorship** will **only** be used in reference to American examples, because this is a term that is accepted and understood in the States.

- **Fiscal sponsorship** is a term which appears to have originated in the States during the early 1990s. Jill Blair and Tina Cheplick provide a succinct definition:

> Fiscal sponsorship begins when one entity agrees to accept and manage charitable funds for another. A fiscal sponsor commits to supporting the charitable activities of individuals or unincorporated groups by extending its tax-exempt contributions to support their work.[2]

The current state of arts funding and how we arrived here

The past 50 years of public and private investment in the arts has built a tremendous infrastructure of arts organizations in Canada. These arts institutions have supported and nurtured the careers of an extraordinary number of artists who have created an amazing legacy of superb works of art for Canadians and for people around the world.

Arts organizations which incorporated in the 1970s and 1980s, when there were far fewer arts organizations than today, received as much as 75–95% of

[2] Jill Blair and Tina Cheplick, "More Than the Money: Financial Sponsorship's Unrealized Potential," May 2007. Available online at: http://www.tides.org/fileadmin/user/pdf/WP_MoreThanMoneyFSPotential.pdf (accessed 3/13/2013).

their revenues from government sources. That funding system underwent a radical change in the mid-1990s. Arts funders realized that the arts ecology in Canada included far more artistic practices, organizations, and artists than were being funded at that time. They gradually broadened their programs and criteria to include Aboriginal and culturally diverse artistic practices as well as other artists and art forms that had been excluded from the funding system.

In dance, the art form I am most familiar with, the percentage of government funding to total revenue has changed dramatically. When I became the manager of a modern dance company in 1982, the grant from the Canada Council for that year was $320,000. That was approximately 85% of our total revenue. At that time, however, there were only seven modern dance companies and three ballet companies receiving funding from the Canada Council.

The following table tells the story of the change in the arts funding system very succinctly. Again, the example is from the dance sector but the story is much the same across arts disciplines and for all funders.

Canada Council for the Arts Operating Grants to Dance Companies

← 20 years → ← 3 years to today →

1989/1990	2009/2010	2012/2013
29 dance companies	51 dance companies	61 dance companies
Average grant – $272,600	Average grant – $215,800	Average grant – $192,300
Median grant – $140,000	Median grant – $95,000	Median grant – $85,000

The median grant is the most meaningful comparator as it eliminates the skewing due to a few large grants.

Canada Council for the Arts Project Creation/Production Grants in Dance, Change over a 10-year period

2002	2012
82 grant applications	179 grant applications
29 successful	54 successful
35% success rate	30% success rate
Average grant $25,400 – one-year project	Average grant $19,800 – one-year project

(Statistics provided by Ellen Busby, Dance Officer, Canada Council for the Arts)

Although arts funding levels have been restored to many government agencies since the deep cuts of the mid-1990s, the financial challenges arts organizations face still remain. The number of arts organizations is growing faster than available funding, so the existing funding resources have had to be more thinly apportioned among a greater number of organizations. This leads to severe under-capitalization among all arts organizations, no matter their size or age. But the most pressing concern is that there is no longer sufficient growth in public arts funding to allow emerging artists to enter the system in any significant way. With the current uncertainty and slowdown of the economy, the problem is not going to improve significantly over the next decade. It appears that government funding for the arts will at best remain as is, but may well be subject to new cuts.

The vicissitudes that the arts funding system has experienced over the past 20 years have resulted in the following circumstances.

- The numbers and diversity of artists and arts practices that are now trying to enter the arts funding system have put a tremendous strain on limited resources.
- Emerging and even mid-career independent artists are becoming discouraged. They are establishing new creative expressions, exploring new ways of working, forming collaborations, taking risks, and challenging the current situation. But, under the traditional incorporated, charitable structure, they're struggling against a hierarchical and risk-averse organizational form that's resource-hungry and often too rigid to fit the needs of entrepreneurial artists.
- Small- and mid-sized arts organizations are not able to afford the staff they require. Very often they don't even pay themselves and if they do it is just a token fee.
- The need for emerging arts entities to incorporate as charitable, non-profit organizations in order to qualify for annual or operational funding exacerbates their difficulties. The cost of registering as a charitable organization can be expensive, particularly if legal assistance is required. And the ongoing infrastructure that must be maintained is costly, especially since new companies usually only receive annual funding amounts that allow them to work project-to-project.
- Artists who came into the system in the 1970s and early 1980s feel they're about to be pushed out of the only funding system they've known. They fear that in order for the funders to fund new artists and ventures, their funding will be cut.
- The constant drive for growth and to do more has led to many organizations having organizational equations that are out of balance and has created deficits in both human and financial resources.

I believe the two most significant factors contributing to current funding problems are:

1. Growth in the numbers of arts organizations seeking government funding has far outstripped the growth of funds available.

2. Retaining status as a stand-alone, charitable, non-profit organization requires too many resources and is no longer an efficient model for producing art.

Although artists can apply for project funding without incorporating as a non-profit organization or having charitable status, they are not able to receive annual operating funding and cannot easily raise private funding to support their projects. Without a mechanism to provide charitable tax receipts, it is very difficult to diversify revenue sources and to facilitate more private sector money entering the arts funding system.

Why consider shared platforms?

Artists entering this challenging arts funding environment are often forced to move too quickly to incorporate as a charitable, non-profit organization. Once incorporated, they have to support organizational, administrative, and financial systems in order to comply with legal requirements, find and develop a board of directors, and then find time to create and produce their artistic works.

Artists end up under tremendous pressure to secure annual operating funding, as it is currently the only way they believe they can sustain the organizational structure that's required once they incorporate.

Writing this paper gave me an opportunity to reflect on my career as an arts administrator. I've come to realize what a strong influence working within an institutional structure can have on one's mindset. I believe that my attention, when I was a General Manager, was too focused on organizational needs and concerns and not sufficiently focused on ensuring that the artistic work found a strong and lasting place in the world. I believe that artists need collaborators whose primary aim is to connect the work to as broad an audience as possible. This role could be that of a creative/producing partner who would ensure that the artistic work attains the largest audience possible by securing the resources to create the work and by identifying and building relationships with other community partners, co-producers, presenters, and audiences.

Artists need a way to obtain the resources they require to create, produce, and connect their work to an audience efficiently and economically. In particular, they need a mechanism to help them develop and support more diverse revenue sources than simply project grants from public arts funding agencies. This mechanism is the concept behind shared platforms.

While there are service organizations providing administrative support and grant writing services, there is currently no legal mechanism that can provide the following benefits to an emerging arts entity:

- Ability to offer tax receipts for individual and foundation donations. This would allow arts entities to be able to broaden their revenue base. Even “crowd funding” opportunities could be enhanced if there is an ability to offer larger “crowd sourced” donations a tax receipt. Depending on the reputation and scale of the mechanism, arts entities could also benefit from the mechanism’s relationship with foundations and other major revenue sources in the community.
- Ability to provide arts entities with more effective technical assistance and administrative support. Participating arts entities would benefit from the financial management services, payroll and benefits administration, and inclusion in the annual audit of the shared platform. This form of centralized, stable, and professional supports for projects would be an essential part of the shared platform fulfilling its own legal requirements as a registered charity. Some existing shared management providers, like Dance Umbrella of Ontario (DUO) and the Small Theatre Administrative Facility (STAF), already offer some of these services but typically do not provide artists, with unincorporated entities, the benefits associated with employment.
- Participation in shared services such as insurance, office space, capacity building, fundraising assistance, publicity and others. Due to economies of scale, these could be provided at a lower cost than would likely be possible on an individual basis.

Collaborative projects, community initiatives, and networks could also benefit from this new mechanism. It would allow them access to certain kinds of government and private funding for which, as non-legal bodies, they are currently not eligible. This could increase collaborations and help large community initiatives achieve their purposes without having to incorporate for a time-limited initiative or build an administrative structure that is potentially costly to maintain.

How do shared platforms work?

The concept of shared platforms originated in the United States where it is referred to as fiscal sponsorship. Fiscal sponsorship, in the States, was developed as an effective and efficient mechanism for launching new non-profit entities that deliver public value. A fiscal sponsor agrees to provide administrative services and governance oversight as well as to undertake legal and financial accountability for the activities of groups engaged in work that furthers the fiscal sponsor's mission.

American fiscal sponsors must have charitable status themselves to permit the sponsored project to legally solicit and accept charitable contributions and grants. Most of these organizations maintain, however, that the responsibility to cultivate relationships and solicit funds remains with the sponsored project, as does the implementation or realization of the project.

Under United States tax law, there are six different models of fiscal sponsorship allowed. These models are outlined in the book, *Fiscal Sponsorship: 6 Ways to Do it Right,* by Gregory L. Colvin.

The great flexibility in American tax laws has resulted in tremendous growth in the numbers of fiscal sponsors in the United States and the scale at which they can operate.

It is very easy to become mesmerized by all the models that have developed in the United States over the past ten years. There are many amazing entrepreneurial fiscal sponsors in the arts — Fractured Atlas in New York being one of the most successful. And there are many others ranging from comprehensive fiscal sponsorship to pre-approved grant relationship fiscal sponsorships. They are interesting to consider as future possibilities, but at the moment many of these models are far beyond what is allowed within current charitable rules outlined in the *Income Tax Act (Canada*).

In Canada, a shared platform must "own" and operate the project. They must also control all aspects of funding and project activities. It is not possible, under current Canada Revenue Agency (CRA) charitable guidelines, for a shared platform to simply be a conduit of funds to a non-incorporated entity. Prior to the 2010 federal budget, two of Canada's leading charitable lawyers, David Stevens and Margaret Mason, published a paper in which they examined TCI as a possible model for a charitable venture organization. The Stevens/Mason paper outlines the following tests that the CRA applies to charities who wish to act as shared platforms.

From the CRA's perspective, the two key concepts are "own activities" and "control and direction." Regarding the former, the CRA Consultation Paper[3] states:

> To meet their own activities test when working through an intermediary, a charity must actually and in fact control the activities carried out on its behalf. For example, the charity (and not the intermediary) must be the body that decides, and exercises ongoing control over, how an activity will be carried out, its overall goals, where it is carried out, who benefits, which goods and services its money will buy, and when it will start and end.
>
> A charity cannot act as a passive funding body for a non-qualified donee's activities, even if the non-qualified donee's activities are charitable under Canadian law. If a charity passively funds a non-qualified donee's programs, that charity is acting as a conduit.

On the latter, it states:

> A charity must always be the body that determines how its money and other resources are used.
>
> The surest and safest way to control and direct its resources is for a charity to use its staff to carry out its activities. That way, the staff can be sure the charity's resources are used only for its charitable purposes...[4]

This means that the only model of shared platform available to Canadian artists at the moment is what Colvin describes in American terms as a comprehensive fiscal sponsorship, or Model A, Direct Project. In Model A, Direct Project, the project of the unincorporated arts entity is an integral part of the sponsor's program activities.

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[3] The Stevens/Mason paper is referring here to a CRA consultation paper: "Consultation on the Proposed Guidance on Activities Outside of Canada for Canadian Registered Charities," which they cite extensively for details regarding the manner in which a Canadian charity can "collaborate with an entity that is not a qualified donee, domestically or otherwise."

[4] David Stevens and Margaret Mason, "Tides Canada Initiatives Society: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities," *The Philanthropist* 23, no. 2 (2010) p 106. Note: in the case of an arts shared platform, the charitable purposes would be the creation of a work of art or a specific project.

A definition of this model, developed by the National Network of Fiscal Sponsors in the United States, is:

> In a Comprehensive Fiscal Sponsorship Relationship, the fiscally sponsored project becomes a program of the fiscal sponsor (a distinct difference from the pre-approved grant relationship) and is a fully integrated part of the fiscal sponsor who maintains all legal and fiduciary responsibility for the sponsored project, its employees and activities. Any work product is available to the public or to the charitable sector. The fiscal sponsor assures funders that the purposes and any restrictions of all grants and/or contributions will be met.[5]

How might we apply concepts of shared platforms to the Canadian arts sector?

In Canada, there are currently no comprehensive shared platforms in existence specifically for artists and arts entities.

Artists and arts organizations, that do not have charitable status, have been able to find trustees from time to time where there is a direct relationship between the artist or arts entity and the trustee. This has most often been in cases where the trustee is presenting the work or is in a co-production relationship with the arts entity; under this circumstance, the presentation is truly part of the work of the trustee. However, this practice is very often done without full knowledge of the legal requirements. Occasionally, it is simply a request to borrow an organization's charitable number. This is a practice that can put the charitable organization at risk of losing their charitable status.

When searching for an arts sector model that would be accepted by the regulatory bodies in Canada, I believe — given their extensive work in the area of shared platforms in the environmental and social justice sectors — it would be most conducive to utilize the groundbreaking work of Tides Canada Initiatives. In describing possible models for a shared platform for the arts, therefore, I have used the paper *Tides Canada Initiatives Society: Charitable Venture*

[5] The National Network of Fiscal Sponsors is an American association dedicated to improving the practice of fiscal sponsorship and promoting its value to society. Although it is primarily an American network, TCI is a member of the association. http://www.tides.org/community/networks-partners/nnfs/

Organizations: A New Infrastructure Model for Canadian Registered Charities, by David Stevens and Margaret Mason.

As noted under *Terminology* in the *Introduction*, I was very drawn to the idea of naming a shared platform a Charitable Venture Organization (CVO). It was very helpful in shaping my thinking about the role that such an organization could play. A CVO could eventually be scaled up in order to have a positive impact on the whole system. It shifts the thinking from a shared platform — that is only about providing regulatory oversight for the arts entities that become its projects — to a more entrepreneurial organization whose mission is to effect positive change in the arts system.

I believe the arts funding system could benefit from having a number of CVOs, and that there are a variety of ways to establish such CVOs. At the moment there are arts service organizations and arts management providers, like DUO and STAF[6], which could develop a charitable component to their organization in order to provide a shared platform. There are other arts service organizations which may also wish to investigate the possibilities of becoming a CVO.

Adapting to Canadian tax laws

The Stevens/Mason paper cited earlier, *Tides Canada Initiatives Society: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities*, provides an overview of the basic requirements of this model to meet Canadian tax laws.

> In the CRA Consultation Paper, the CRA emphasizes the requirement that a charity exercise direction and control over its property:
>
> > The Act requires a charity to devote all its resources to charitable activities carried on by the charity itself (which includes making gifts to qualified donees). As confirmed by the courts, this means a charity must control all activities carried out on its behalf, and not act as a passive funding body for any other organization that is not a qualified donee.
> >
> > A charity can carry on its activities through its staff (for example – volunteers, directors, and employees) or through intermediaries. In this guidance, an intermediary is defined as a person or non-qualified donee that is separate from the charity, but that the charity works with to carry out its own activities.

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[6] Dance Umbrella of Ontario (DUO) and Small Theatre Administrative Facility (STAF), as providers of arts management services, are already shared administrative platforms and are not constituted or funded as arts service organizations. Neither is currently registered as a charitable organization. Although they are not arts services organizations, they will be included, throughout this paper, in discussions related to arts service organizations.

On the basis of the foregoing, the CRA "strongly recommends" that a charity put a written agreement in place when working through an intermediary. However, the CRA is quick to add that a written agreement is just the beginning:

> A charity must be able to show that in fact, at all times, it is carrying out only its own activities through the intermediary, and that it directs and controls the use of any resources that further these activities. For a charity to show that it is carrying on its own activities, it must be able to show the CRA the following:
>
> - a clear, complete, and detailed description of the activity, as well as detailed information on how, when, and where it is carried out;
> - records demonstrating that clear, complete instructions and directions in relation to the activity are, or will be, provided to those who carry it on;
> - records showing that it monitors and supervises the activity on an ongoing basis;
> - documentary evidence that it deals with relevant issues related to the activity; and
> - books and records that verify that the charity's funds have been spent on its own activities.[7]

Structure of a Charitable Venture Organization

For purposes of simplicity in understanding this model, I've used Gregory Colvin's[8] key points on how it is structured. I use the term Charitable Venture Organization here to refer to a specific concept of a shared platform model. This model also most closely aligns with the Tides Canada Initiative model for a CVO.

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[7] David Stevens and Margaret Mason, "Tides Canada Initiatives Society: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities" p 104.
[8] Gregory L Colvin, *Fiscal Sponsorship: 6 Ways to Do it Right* (San Francisco: Study Centre Press, 1993).

Project belongs to the CVO — the CVO takes the project in-house and it is not a separate legal entity

In order for a CVO to be a full shared platform — similar to the definition of the American comprehensive fiscal sponsorship — it is very important that it selects potential projects that align very closely with its charitable purposes and mission. Once the CVO accepts a project, it becomes a program of the CVO. It is important to understand that the CVO and the arts entity are both part of the same legal entity and governed by the CVO's board of directors.

The Stevens/Mason paper makes reference to some perceived challenges with this aspect of a shared platform:

> When an enthusiastic not-for-profit is advised that "fiscal sponsorship" is not possible but that a charity could, instead, take ownership of the project (and all that flows therefrom) and engage the not-for-profit, or perhaps individuals associated with it, to perform the project, the required relinquishment of control over the project (and its product) frequently makes the relationship untenable. If the charitable venture model were more deeply understood, both parties would enter into the relationship with appropriate expectations, which would then allow the project or service to be performed with the hope of achieving a public good. [9]

CVO is liable for everything

The CVO needs to be careful in selecting the arts entities with whom it will partner, since it assumes total legal responsibility for the project and the employees of the project. The CVO is liable for any legal issues that arise in connection with the project, and until such time as the agreement with the arts entity concludes, the project is not a legally separate entity. This is a necessary component and key to CRA accepting the arrangement.

Project personnel are employees of the CVO

All employees of the project become employees of the CVO and are eligible for the same employee benefits as the employees of the CVO. All staff receive proper compensation and appropriate benefits, increasing retention and minimizing burn-out (which is becoming an increasing problem for small arts entities).

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[9] David Stevens and Margaret Mason, "Tides Canada Initiatives Society: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities" p 104.

Contributions belong to the CVO — CVO reports revenue, expenses

While the arts entity undertakes the fundraising for the realization of their project, the CVO receives the grants/donations and puts them in an internally restricted project fund account for that specific project. The CVO manages the budget, pays all expenses directly, provides timely and accurate accounting to the project leadership, and ensures that the project is in compliance with all federal and provincial tax laws.

This process has two important outcomes. For the arts entity, they still establish and nurture their relationships with their funders and donors. For the funders and donors, they have the surety that the project has been evaluated by the CVO to determine whether it has the capacity to achieve its objectives, that all administrative operations of the project are managed by competent experienced professionals, and that the processes ensure transparency and accountability.

Shared platforms: two artists provide their perspective

Since forming in 2006, Convergence Theatre has operated on a project-by-project basis. After extensive research and weighing the pros and cons of incorporating and "going charitable," we decided against it.

We are an artist-driven company and we are theatre artists, not administrators. In addition to being the founding artistic directors of Convergence Theatre, we both regularly work as actors, as a playwright (Julie), as a director (Aaron), and as arts educators. We do not aspire to have a "5-play season," a subscribership, or a venue. Nor can we afford to hire even a part-time employee, or pay ourselves when not in production mode. We operate on a project-by-project basis, with each project taking up approximately 1.5 – 2 years from beginning to end, with overlap between projects.

We've created three original plays in six years. Two have had successful remounts; one has toured and also been published. Our shows tend to be large scale, often boasting 25+ person ensembles. In all three cases, approximately 80% of the overall budget has gone to paying people. This may well be a factor when granting bodies decide whether to fund our projects.

We never aspired to be "producers," rather we began producing out of necessity. Our initial reasons for forming were two-fold: to develop and showcase our skills as actors, playwright and director, and to collaborate with like-minded peers that range in age, experience, and discipline. As such, a wonderful, accidental, on-the-job mentorship has emerged, and relationships with senior artists we never imagined possible have developed. Also, by staging work in non-traditional venues, and connecting with people and communities through our arts education and community theatre work, we've managed to build a diverse audience who've stuck with us. Many of them have also become donors. We've learned that people give us money because they like us and our work and want to support what we're doing. And because we personally put in time with them — there's no other way.

We're often asked by our donors if we can provide them with a tax receipt. Our answer has been no. This hasn't stopped those people from giving, but they've reflected that if we could provide a tax receipt their donation amount would increase, and they would also consider adding us to their annual giving list.

For our last major production, we were in a legitimate co-producing relationship with a larger theatre company that had charitable status and was able to provide all donors with tax receipts. As a result, we were able to substantially increase individual donation amounts from our core donors, as well as build new donor relationships, including obtaining some significant donations from foundations. There are three foundations in particular with whom we've forged personal relationships and who've said they would like to support our future projects. Unfortunately, we are unable to accept their donations so long as we do not have charitable status.

…We do not want to be accountable to anyone but ourselves. Of course we're accountable to more people than just ourselves: our collaborators (the actors, directors, stage managers, designers, etc. we hire for any given project), our donors, the arts councils, our audience, etc. But we do this on our own terms, without a board and Revenue Canada breathing down our necks. We certainly do not want a board who can hire and fire us. Nor do we want the headache of all the extra reporting and accounting. We do not want to have to pay $3,000 a year, which we don't have, to do our taxes. We have enough headaches and accountability doing our taxes as a "shared partnership" thank you very much! The last thing we want or need is to turn Convergence Theatre into a child who will always need nurturing and care. It often feels that way even now, but at least now we can work at our own pace, on our own terms, and we get to choose to whom we are accountable.

What we work on, how, and with whom is of the utmost importance.

We are not able or willing to manage the kind of growth "going charitable" would force us to undergo. It would kill us. We've seen it happen to our peers. The administrative versus art balance would suffer. As it is, we already spend way too much time behind our computers making the work happen, and not nearly enough time making the work.

That said, a model that would absolutely support our desired way of working is the idea of a "shared platform." It would allow us to enter into a relationship with an existing charitable organization that could enable us to offer tax receipts to our donors, including foundations… It's a mutually beneficial relationship that still allows the artists behind the project to retain control over a given production… this is the future.

by Julie Tepperman & Aaron Willis
Co-Artistic Directors, Convergence Theatre

What benefits do arts administrators think shared platforms could provide?

The idea to undertake research into models of shared platforms and to explore the potential of establishing such models in the arts originated from Dance Umbrella of Ontario (DUO). The Board of Directors of DUO and the previous Executive Director, Christine Moynihan, began investigating the concept of shared platforms over the past two years as a way to expand their services for emerging dance artists. They had observed the work that Tides Canada Initiatives was doing for environmental and community entities and realized the following.

This type of work, in the arts, could alleviate the need for independent artists and small collectives to incorporate — or to incorporate too early in their artistic life cycle — while giving them greater opportunity to raise money from foundations and individual donors.

Shared platforms could increase the fluidity of artists and artistic projects. For example, it would make it easier for artists to come together for one or two projects, or to create one project over a sustained period, and then dissolve after the artistic impetus of the collective/project was fulfilled. This could, in turn, increase the amount and kinds of collaborations in the milieu to the benefit of all.

If this new model was able to offer serious, sustained, highly skilled and efficient "back office" services which would include all financial accounting, negotiation of and holding of leases, contracts, and other services, it would offer the artists a valuable benefit: valuable skills in budgeting, cash flow, and financial reporting. These strong "back office" services would also assure the arts councils, donors, and other financial supporters that all funds were being used, allocated, and accounted for correctly.

by Christine Moynihan
former Executive Director, DUO

Three possible models for bringing shared platforms to the arts sector

I'm recommending the following three models to consider as possible ways to bring shared platforms to the arts sector. The three models are organized according to degree to which I believe that they could respond to the needs of the sector. The first model proposed, therefore, represents the most comprehensive response; it also requires the greatest initial investment. The third model proposed requires the lowest initial investment in time and resources, but responds less well to the general needs of the sector as a whole. It also probably raises the most legal challenges.

1. Establish a Charitable Venture Organization specifically for arts organizations

What it is

A Charitable Venture Organization (CVO) is a registered charity that houses entities without charitable status whose missions match or advance the charitable purposes of the CVO. This ensures that the arts entity becomes a "qualified donee" as defined by the *Income Tax Act (Canada)* (the Act).

TCI has pioneered the idea of a CVO in Canada. In the Stevens/Mason paper, *Tides Canada Initiatives: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities,* it says:

> TCI is a registered Canadian charity and in type, a "charitable organization." As such, the requirements of the Act push TCI to conduct primarily its own charitable activities although it is not prohibited from granting to "qualified donees" as defined in the Act.
>
> In operational terms, the TCI Model encompasses the following: internally generated projects performed by TCI employees or contractors, externally generated projects "adopted" as TCI projects and performed by TCI employees or contractors, and the housing of community collaborations. All support services including accounting, financial, human resources, telephone, e-mail/Internet/website, and regulatory compliance are provided by TCI. A portion of TCI's administrative overhead cost for such support is allocated to each project, and each project must generate sufficient revenue to cover its expenses. In essence, each project is unitized within TCI. Short-term

> projects generally stay within TCI for their duration; longer-term projects may develop sufficient capacity to transition to a stand-alone entity separate from TCI.[10]

I believe that, of the three models proposed, this one is best positioned to serve the entire arts sector. The music community, for example, does not have an organization equivalent to DUO and STAF, so there is no arts service organization (ASO) positioned to undertake the role of a CVO within that community. The film and video community has also expressed the need to have access to a shared platform mechanism. It is unclear whether or not an ASO that could undertake the role of CVO already exists in those media. Even within the dance and theatre sectors, mid-sized independent companies and more established artists who don't wish to incorporate have suggested that they are looking for a CVO mechanism that could provide them with more advanced resources than are currently available through DUO or STAF.

This would take some time to achieve, since there would have to be a substantial investment to "kick-start" it into life. There would also need to be someone with the entrepreneurial skill to see the potential and build the relationships and resources required to launch this kind of enterprise. However, this would be a very important initiative for the arts community, as I believe it could achieve the level of scale that is necessary to truly make a substantive impact on the field.

Advantages

This model would be the most effective way to establish a CVO that would incorporate the most up-to-date rulings from the CRA related to charitable activity. Because this organization would be newly established, it could develop charitable objects that would allow it to serve a wider array of art forms and determine the geographic range of its work.

Establishing a Charitable Venture Organization that could scale-up over time to a sufficient size as well as have the ability to work with a broad range of art forms could have significant impact on the arts sector. The ability to have a broad view of the emerging challenges across the entire sector, and possibly a national perspective, would allow the CVO to advocate more effectively for adaptive changes that might be required in policy initiatives and changes to regulatory frameworks.

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[10] David Stevens and Margaret Mason, "Tides Canada Initiatives: Charitable Venture Organizations: A New Infrastructure Model for Canadian Registered Charities" p 100.

This could be a strong model to respond to the needs of Aboriginal artists, particularly those in remote regions of the country.[11]

A CVO could attract strong entrepreneurial leadership that could open up other options for additional types of earned revenue. For example, Fractured Atlas in the United States earns additional revenue by selling administrative service platforms, developing and selling IT support (including development of new databases, box office systems) and making their models available for purchase by other American fiscal sponsors.

Practical issues

This kind of organization does not currently exist in Canada in the arts sector, so it would require time to organize and to find the necessary financial and human resources to develop the model.

It could be viewed with suspicion, or even as a competitor, by existing ASOs. The concept would therefore need to be carefully introduced to the arts community in a way that makes it appealing to potential projects as well as potential funders.

It would have significant start-up costs and may not qualify for public sector support. However, there is definite interest in the concept by public and private funders.

Financial considerations

The start-up costs would likely need to include the salary/overhead of an individual to lead all of these activities ($60,000-$80,000) as well as initial costs related to incorporation/charitable status (estimated at a minimum of $3,000). There would also be costs for legal advice concerning compliance with CRA regulations as well as legal agreements with unincorporated entities.

Ongoing operating costs will include the administrative overhead, facility costs, CVO staff, as well as employment costs (and statutory benefits) for leadership of the arts entity, overhead and legal/audit costs of the CVO. This could eventually be covered by a percentage of the arts entities' revenue, but will likely require additional fundraising or public sector support for at least the first five years of operation while the CVO is building critical mass.

Ongoing operating revenues could increase with opportunities to serve other arts forms like media arts (where budgets are typically higher) or, as noted above, as the CVO develops additional products for sale.

In order to provide the level and quality of support that would make a significant difference both to participating projects and the sector, I estimate

[11] There are some different regulations governing the relationships between CRA and Aboriginal peoples in Canada. These have not been considered in the creation of this paper and would require additional study.

that the CVO would need to be able to achieve a scale of operations of at least $4,000,000. As a point of reference, TCI is an operating charity with 35 in-house projects and grants and program expenditures in 2011 of $17.7 million.

2. Utilize existing administrative platforms such as arts service organizations or arts management providers

What it is

There are already two administrative platforms in existence for theatre and dance entities in Ontario — STAF (Small Theatre Administrative Facility) and DUO (Dance Umbrella of Ontario). Both organizations would have to apply for charitable status in order to become shared platforms, since they are currently only incorporated as non-profit service organizations and do not have registered charitable status. There is definitely an interest, from both DUO and STAF, to investigate the possibilities of adding the function of a shared platform to their mandate.

This model would be of great benefit to emerging artists. As noted below in *Practical Issues*, there might be some challenges related to this model for established and mid-career artists.

Advantages

The organizations already exist, are known within the arts community, and have a history with funders. Arts service organizations have a comprehensive knowledge of the people and organizations working in the sector, particularly the discipline-specific ASOs. Because of their placement in the sector, these organizations are known to the newest, most emerging artists.

Organizations such as DUO and STAF already have a model to provide shared administrative services and have staff with these skills.

Practical issues

Many ASOs are not currently registered as charitable or may be incorporated in a way that prevents them from broadening their shared platform services to other art forms or disciplines.

Their ongoing services as an ASO could prevent them from providing additional services — as a CVO — such as developing and providing customized databases. There could also be some confusion between their services as an ASO and their services as a CVO shared platform.

Some mid-career artists feel that they have moved beyond the level of services provided by these organizations and may not feel that they can adequately respond to their current needs.

Financial considerations

Start-up costs would be related to gaining charitable status, which could be as low as $3,000, but might be more depending upon the need for legal assistance. There would also be the cost of legal advice to ensure their mission/mandate can be deemed as charitable, and to develop legal agreements with the arts entities.

The increased operating costs would be related to employment costs (statutory benefits) for leadership of the arts entities but should be covered by a percentage of arts entities' revenue. The ASO would likely need at least one additional staff member (approximately $40,000) to provide additional oversight of the arts entities. This may eventually be covered by a percentage of arts entities' revenue, but, given how much is already being covered by this money, it would more likely require additional fundraising or increased public sector support on a permanent basis.

3. Existing arts organizations, in collaborative relationships, acting as shared platforms

What it is

Venue-based theatres and dance companies often produce work in collaboration with independent artists. In these instances, these organizations have sometimes offered their charitable number to allow the independent theatre artist to raise funds for the work that is being co-produced or co-presented in the venue. This type of shared platform or trustee relationship is usually short term, existing only for the time that is required to create and present the work to an audience. There does need to be some work done to ensure that these arrangements are being carried out correctly and meet tax law requirements so they are not jeopardizing the trustee's charitable status.

More importantly, a few of these venue-based theatres are interested in reconceptualizing how they work. Rather than creating their own work, they are investigating becoming a creative incubator — building longer-term relationships with independent theatre artists that participate or are "housed" in the creative hub. Along with management, financial, and marketing services, one of the benefits they could provide would be to become a shared platform.

Again, it will be important to investigate the legality of this model under CRA regulations in order to ensure that the shared platform, or trustee, is not jeopardizing its own status. It would also be very important, in this type of relationship, to establish ownership over the intellectual materials being created. If established, the charitable arts company is acting as a shared platform, so it will also be important for the board of directors of that organization to recognize that they are accepting legal and fiduciary responsibility for the unincorporated project/entity.

Advantages

This model could provide independent artists a home and structure to allow them to develop their work in a supportive environment.

Funders, looking for ways to overcome historical imbalances in funding, are considering some level of collaboration as a requirement for operational support.

There would be minimal start-up costs to implement this model, since the organizations are already incorporated and registered as charitable organizations and would not incur these expenses to establish themselves as a shared platform.

Practical issues

Independent artists have experienced difficulty with these relationships in the past and have, therefore, a conflicted response and worry that they will be working in an unequal partnership.

There could be a very challenging legal ground for the hosting organization which may in fact, depending on their relationship with the arts entity, potentially jeopardize their own charitable registration. The model would require very strong legal guidance related to ownership of work produced, particularly in this case, because the hosting organization could also be a company that may be developing their own work.

The leadership of the arts entity would likely not be able to become employees of the hosting organization. This could also flag challenges at CRA related to both employment benefits and charitable status.

The model could cause potential confusion among donors and make it more challenging for both arts companies to nurture their own community of support.

Financial considerations

Start-up costs would be for legal advice regarding both matters of relationship with CRA and legal agreements with the arts entities.

There would be some increased operating costs related to additional staff needed to administer the program as well as increased audit and legal expenses for the company acting as a shared platform.

The increased costs would likely have to be covered from standard operating revenues of the shared platform, since the independent artists or companies might resist efforts from the host company to keep a percentage of money raised by the arts entity (in the manner that a traditional CVO would).

Graphic representation of the three possible models

1 CHARITABLE VENTURE ORGANIZATION

Charitable venture organization

Arts entities
(multiple disciplines)

IMPACT
- potential to serve entire arts sector

STARTUP INVESTMENT
- significant startup investment

OPERATING COSTS
- potential to become self-sufficient

LEGAL
- precedent exists in work of TCI

2 EXISTING PLATFORMS: ARTS SERVICE ORGANIZATIONS OR ARTS MANAGEMENT PROVIDERS

Arts service organizations and/or arts management providers

Emerging arts entities
(by discipline)

IMPACT
- likely discipline-specific

STARTUP INVESTMENT
- moderate investment

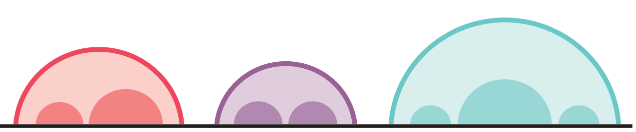
OPERATING COSTS
- will likely require ongoing investment

LEGAL
- no precedent currently exists

3 EXISTING ARTS ORGANIZATIONS IN COLLABORATIVE RELATIONSHIPS

Arts organizations

Emerging arts entities (by discipline)



IMPACT
- serves only select companies in curatorial manner

STARTUP INVESTMENT
- currently exists
- requires minor mission adjustment

OPERATING COSTS
- minimal additional operating costs

LEGAL
- raises significant legal considerations

Weighing the benefits gained with the concessions and risks required

In conversations with arts entities interested in utilizing shared platforms, the two most desired outcomes stated were:

- To access excellent management/producing services as part of a shared platform.
- To be able to access institutional and private funding without incorporating as a charitable, non-profit organization.

While there can be positive benefits for arts entities entering into a structured agreement with a CVO, there are four critical issues that require careful consideration.

1. There is a perceived loss of identity and autonomy as the arts entity becomes a project of the CVO, and the CVO has to exercise control and direction over the project.
2. As the CVO legally has rights to all products and services developed by the unincorporated arts entity, **the ownership of the artistic works created under the shared platform needs to be very carefully negotiated and would require a detailed legal agreement between the CVO and the arts entity**. Copyright provisions would override some of the ownership concerns, but who has full rights to the work would still need to be very clearly established, especially if the arts entity decides to exit the CVO at a later date.
3. Because the arts entity and the CVO become one organization functioning on a single charitable number, there could be confusion if both are applying to the same funders for support, or even a chance of competition for funding.
4. Arts funding agencies still require an arts organization to be incorporated as a charitable, non-profit organization to receive annual operating funding. Any arts entity that is a project of a CVO, therefore, will still only be able to access project funding. The key benefit, however, is that as a project of a CVO they will be able to fundraise and provide charitable tax receipts.

The first three of these critical issues can be overcome as long as they are dealt with before any legal agreement or memorandum of understanding is undertaken. Both parties must have realistic expectations of the shared platform arrangement and a clear understanding of their respective roles and responsibilities. Both the arts entity and the CVO have to be fully engaged in making the relationship work and committed to excellent communication with each other.

Key aspects arts entities need to consider

For **emerging artists,** the CVO can provide **a range of services** to assist them in building the capacity of their emergent structure.

The **key people** in the arts entity (Artistic Director/Producer) **can become employees** of the CVO, providing them with benefits such as insurance, EI and CPP.

The **arts entity is responsible for raising the grants and donations**. The CVO can provide support, but it is critical that arts entities don't leave revenue development up to the CVO. The arts entity needs to build its own relationships with grantors and donors so that funders understand who and what the funding is for. This can be confusing because the grants and donations are made in the name of the CVO and will require a certain amount of education among arts funders.

While the CVO has a board of directors to provide governance oversight, **the legal ramifications for the arts entity will need to be firmly established in the memorandum of understanding** that is negotiated **between the arts entity and the CVO**. It is very important that this agreement lays out the essential aspects of the relationship, including the ownership of the works produced under the arrangement. Without a comprehensive legal agreement in place, all works produced belong to the CVO.

A CVO typically takes a percentage of the funds raised to cover the expenses of the services and overhead that the CVO incurs. In some cases, the CVO may take a larger percentage of public funding because there is considerable work involved in writing grant applications and preparing final reports on the use of the grants awarded.

Why now is the time for shared platforms

Over the past four to five years there has been significant interest in the concepts of shared platforms by a number of organizations such as the Laidlaw Foundation, the Ontario Trillium Foundation, Tides Canada Initiatives, the Ontario Nonprofit Network (ONN), CivicAction, and many other non-profit groups. These organizations have been meeting from time to time to establish a foundation of knowledge and interest in the concept.

Two key working groups, the Research/Policy/Framing work group and the Community of Practice work group, have recently been set up to develop both a deeper understanding of the regulatory framework, principles, and value of shared platforms and to share knowledge of how shared platforms work — including sharing effective practices and developing a "toolkit." A Steering Committee made up of the Laidlaw Foundation, Tides Canada Initiatives, and the Ontario Nonprofit Network (ONN), will take on the leadership to keep the momentum going. The initiative will become a constellation of ONN which can provide some structure and a place to have a presence while the Working Groups undertake their work. ONN can also provide a forum for the findings of the Working Groups at their annual meeting in September 2013.

I have been attending the meetings since I began working on this paper. I have seen that the concept of shared platforms is becoming a movement, gaining more and more interest from all areas of the non-profit sector including the arts.

Lessons learned from the field

Need to challenge assumptions

It is important to challenge some of the assumptions that have grown up around the concept of "fiscal sponsorship" or shared platforms.

A Charitable Venture Organization/shared platform is not:

- A way of simply flowing funds raised from public or private sources from the CVO to an unincorporated entity that does not have charitable status.

- A service organization or a shared space hub. The arts entities working as part of the CVO have an integral relationship with the CVO and advance the CVO's mission.
- A financial tool to provide charitable receipts. It is a channel for organizational development, providing expert financial, administrative and legal support to projects so they can concentrate on their creative and program activities and build relationships in the community.

Other assumptions that need rethinking:

- That a CVO or shared platform is just for emerging arts entities. Depending on the scale of the CVO and the expertise it can offer its projects, some arts entities could be quite large, preferring to stay as a project rather than institutionalize.
- That only an independently incorporated and charitable entity can have effective and responsible governance. If the CVO is set up correctly and adheres to the regulatory guidelines, it could provide more effective governance and oversight than that which could be undertaken by a small, under-resourced independent company.

Critical factors required for success

Intentionality

If a CVO/shared platform is to be successful, the projects with which it partners must want to work in that format. It won't work if there is a "paternal" culture where the projects do not feel they are equal partners in the enterprise. It also will not work in a culture where participating arts entities believe that the only purpose of a CVO/shared platform is to "borrow" a charitable number to receive donations. In the beginning, it would be beneficial if arts entities who wish to work within the regulatory framework of a CVO/shared platform got together and figured out how to develop a CVO/shared platform that works for them and satisfies the requirements for charitable status and effective governance.

Ability for the arts entity to establish its own working format or producing model

If the shared platform is to make a significant difference to the arts ecology, there will have to be the understanding that imposing the same organizational model on each project will completely defeat the purpose of encouraging a healthier arts ecology. Each arts entity needs support to develop the most effective way to organize around their unique artistic mission. The shared platform or CVO cannot apply a "cookie-cutter" approach in working with each arts entity.

Ability to scale-up

TCI continues to investigate the appropriate scale at which they feel they will be sustainable over time. They have stated that size does matter, that being an effective shared platform is very hard to do if you are too small.

In reviewing the literature on American fiscal sponsorship programs, there was anecdotal evidence to suggest that fiscal sponsorship programs managing less than $2 million are difficult to sustain over time. The report *Fiscal Sponsorship: The State of a Growing Service*[12] states that a small fiscal sponsorship program also carries higher risk, being vulnerable to sudden drops in revenue (e.g., from a large project leaving unexpectedly) if it can not reallocate overhead costs to other areas. In the States, some fiscal sponsors protect against this by using sponsorship fee surpluses to build up an operating reserve over time.

What do we need to consider first?

Before we launch into conversations about whether to establish shared platforms for the arts or how to do it, I believe we need to take a step back and look at the whole system and not just investigate organizational structures. We need to take the time to explore what we are trying to achieve. Some of the questions we might ask ourselves are:

- Are we just trying to fix a failing system, innovating new approaches to keep the failing system going?
- Can we take the time to reflect on the possible outcomes and avoid jumping to conclusions too soon?
- Can we undertake this work as a community learning process and find in our collective intelligence something genuinely new and useful for the creation and production of artistic works?
- Will it lead to a healthier working life for the people involved, changing some of the untenable working conditions of artists and arts managers/producers?

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[12] Alexis Krivkovich, Jill Kauffman Johnson, and Carin D'Oliva. "Fiscal Sponsorship: The State of a Growing Service." Trust for Conservation Innovation 2003. Accessed at www.tides.org/fileadmin/user/pdf/WP_TCIFSGrowingService.pdf

It is becoming clear that the necessity to create stand-alone charitable, non-profit organizations to qualify for annual public funding is too costly a model for the resources currently available. Trying to find all the resources to support many stand-alone organizations wastes energy for the arts system, and it is a very expensive way to produce art in terms of both human and financial resources. It is now time to move from an exclusive focus on the health of the individual organization to include the health of the arts system. This will require a move away from hierarchical capacity (stand-alone organizations) to lateral capacity in relationships in order to develop networks of shared resources.

In order to achieve this we need to develop new metaphors or change the "lens" through which we examine the problems or conditions facing the arts sector. We need to move away from the idea that growth is the key measure of success, to an understanding that death and renewal is part of a healthy ecology. Not every arts entity should aspire (or be encouraged to develop a succession plan) to institutionalize in order to have perpetual life. We also need to learn how to use a complexity lens to explore and frame approaches to the challenges facing the arts system. There will not be a simple formula to get it right.

Next steps

I believe it is important to convene a roundtable with a selected group of people who have expressed an interest in the idea of shared platforms. The purpose will be to determine:

- Who is interested in becoming a CVO for the arts?
- Who are the artists or arts entities that are interested in becoming part of a CVO/shared platform?
- Are there funders who would be sufficiently interested in the concept to provide initial funding for a period of at least five years?
- What is the amount of investment and/or capitalization required to launch the CVO/shared platform models?
- What are the possible business models that would make a CVO feasible? In particular, how could it achieve a significant level of operations to make an impact?
- How can we obtain legal assistance to ensure compliance with CRA regulations and draft contract and agreement templates?

- How do we develop the right language and terminology for shared platforms that ensures understanding, transparency, and clarity?
- How do we start pushing the boundaries on shared platforms to allow more of the range of fiscal sponsorship options that are allowed in the United States? How can we have an impact on CRA policies to achieve this?

If the roundtable reveals there is sufficient interest — and my conversations over the past several months with artists, service organizations, and funders lead me to believe there is — then a large community convening on the topic to bring together key stakeholders, including representatives from CRA, might be the next best step toward eventually creating one or more CVOs for the arts.

Sometimes there is the absolutely right moment to start something that can make a major positive impact on a stressed system, and I believe that the concept of shared platforms and Charitable Venture Organizations is the right idea at the right time. And the time is now.

> You cannot control complex systems, only disturb them. And even a small disturbance, artfully designed, can have large systemic effects.[13]

[13] Graham Leicester and Maureen O'Hara, *Ten Things to Do In a Conceptual Emergency* (Axminster: Triarchy Press, 2009) p 19.

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New York Foundations for the Arts – http://www.nyfa.org

Pentacle – http://www.pentacle.org

Shared Platforms and Charitable Venture Organizations

A powerful possibility for a more resilient arts sector

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