



Cultural Industry

# **Book Publishers Operating Grant Program Guidelines**

Superseded

*Alberta* 

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# Overview

## Grant Overview

The Cultural Industry Book Publishers Operating Grant (CI-BPOG) is designed to meet the unique needs of the book publishing industry in Alberta. Eligible organizations may receive funding to invest in the operations, administration and in specific business development activities of their organization to further its mission and strengthen the organizations and industry's capacity.

## Purpose and Objectives

The grant is intended to increase the financial viability and business growth of the Alberta book publishing industry, while still recognizing the cultural importance of the industry as a whole.

The program objectives include:

- Enhancing the organization's ability to support the growth and sustainability of Alberta's cultural industries;
- Ensuring Albertans have vibrant, active communities and access to cultural opportunities and services that enrich their lives;
- Rewarding publishers' success in delivering content.

## Grant Deadline

June 1 annually at 11:59 pm MST.

If the grant deadline falls on a weekend, the deadline date will be extended to the next business day.

The grant intake window will open 60 days prior to the grant deadline.

## Eligibility

### Organization Eligibility

Eligible Organizations must be a book publisher and:

- Be registered and in good standing in accordance with the appropriate provincial legislation;
- Have been in operation in Alberta for at least 12 months prior to application;
- Be at least 51 percent majority owned by an Albertan or Albertans, and the effective managerial and editorial control must reside with the person(s) who are residents of Alberta;
- Publish books by individuals other than the organization's principals, board members or stakeholders;
- Not publish more than 25 per cent of titles by principals or owners of the company, nor accept author payments for services as a regular part of their publishing program;
- Be primarily engaged with and generate at least 51 per cent of operating revenues from the creative products mentioned above;
- Be physically located in Alberta;
- Demonstrate editorial independence, based on their publishing program;
- For publishers who are part of an associated group, companies must be able to prove a reasonable and clear distinction between their publishing programs and their corporate structures;
- Have published in the 12 months prior to application at least 2 trade or educational books;
- Have at least \$15,000 in eligible book sales in the company's fiscal year prior to applying and no more than \$2,000,000 in annual sales averaged over the three fiscal years prior to applying; and
- Organizations associated with a post-secondary institution, such as University Presses must be recognized as a separate department or entity within their institution. Post-Secondary institutions are not considered eligible.

## Book Eligibility

### Published and Digital Books

In order to be considered eligible, a book must:

- Be at least 48 pages in length for a printed book, except for children's books, which can be less than 48 pages; or
- If a digital version of a book, including an audio version, it must be equivalent to the above requirements for a printed book and be available for sale through the internet or by any other non-physical transmission;
- Be a new title: a book, either print or digital, with more than 50 per cent original content; or
- Be a new edition: the publication, in modified form, of a book previously published by the same or a different publisher. A new edition must have substantial changes to at least 25 per cent of the original content or at least 25 per cent new written content; or substantial changes to the illustrations (excluding the cover).
- Books that are published in multiple formats only count as one title.

### Ineligible Books

- Self-published titles and author-subsidized titles;
- Reprints;
- Directories, agendas with less than 36 pages of original editorial content, catalogues, calendars, maps or books of maps, loose-leaf updates, colouring books, sticker books or other activity books, games in the form of a book, and other similar products as may be determined by the AMF;
- Software;
- Music recordings;
- Books that contain advertising other than the publisher's own promotional material;
- Periodicals published two or more times a year at regular intervals; and
- Publications for which support would be considered contrary to public policy in the opinion of the Minister, including those that:
  - incite hatred against an identifiable group; and
  - have a dominant characteristic, which is the undue exploitation of sex, violence involving one or more crimes, horror or cruelty.

## Eligible Expenses and Activities

### Core Expenses

Eligible expenses for core funding include all normal operating expenses, including but not limited to:

- Administration and programming fees;
- Salaries for permanent employees;
- Fees for artists or persons under contract;
- Repairs and maintenance of equipment and fixed assets; and/or
- Renting facilities used in production and presentation programming.

### Business Development Expenses

In addition to regular core operational activities, specific business development activities are included as eligible activities. Applicants may utilize up to 20 per cent of their approved grant for business development activities. This includes initiatives that increase revenues, contribute to growth in terms of business expansion, and increase profitability by building strategic partnerships and making strategic business decisions.

Eligible projects may include:

- Research aimed at analyzing industry trends, new technologies and/or new business models;
- Market research and business plans;
- Collective initiatives in response to industry trends (aimed at marketing, promotion, education, awareness);
- Training and professional development for members of the industry;
- Promotion of the industry in the domestic and foreign markets, particularly through the Web and other digital platforms;
- Development and implementation of market development and branding strategies;
- Participation or attendance in trade fairs/shows and multilateral meetings and conferences;
- Technical training and trade seminars designed to prepare books (export readiness); and
- Technical support services and research, which facilitate entry into markets.

### **Business Development Activity Eligible Costs**

- Market research costs;
- Venue and equipment rental;
- Specialized software licensing during the project period;
- Promotion and marketing costs;
- Professional fees (e.g. contractors, etc.);
- Training;
- Registration fees (excludes registration fees of participants for the organization's own events);
- Paid internships;
- Project-related travel expenses, which must not exceed the rates permitted for travel on government business;
- Project-related salary costs (must be less than 25 per cent of total eligible project expenses); and
- Project-related overhead costs (e.g. mailings, courier, telephone long distance) limited to a maximum of 20 per cent of the total recommended amount.

This list is not exhaustive of all eligible costs. If a cost does not appear above please contact the program office.

### **Business Development Activity Ineligible Costs**

- Capital expenditures (e.g. computer or equipment purchase, etc.);
- Business development activities undertaken prior to the receipt of an application;
- Hospitality costs (e.g. meals and beverages served at an event, catering fees);
- All costs related to awards, contests, sweepstakes, draws, incentives and prizes;
- Travel expenses that are not directly project-related;
- Exchanges of services;
- Project contingency funds; and
- Bursaries for organization members.

Expenses for business development activities, if claimed, are not eligible for support under the Cultural Industry Organizations Project Grant.

# How to Apply

## Grant Application

### New Applicants

New applicants must set up an online profile prior to filling out an application. To set up a profile, organizations must complete a GATE Front Office Registration form and email the form to [registrationamf@gov.ab.ca](mailto:registrationamf@gov.ab.ca).

### Previous Applicants

Login to the Online Grant Application System (GATE) to begin your application.

## Application Requirements

All applicants must submit a complete application package, including a signed applicant agreement, through the Online Grant Application System (GATE) prior to the grant deadline date.

Applicants will be required to provide the following information in the application:

- A brief description of the organization, including the mandate;
- Organizational details, such as revenues and expenses;
- A list of all eligible book titles; and
- If applicable, information pertaining to business development activities and outcomes from the prior application year.

The following documents will be required as PDF attachments to the application:

- Annual corporate registry documents (annual return) showing the organization's legal name, shareholder/director breakdown and standing;
- The organization's most recent annual financial statements, accompanied by:
  - Grants over \$50,000 require a Review Engagement Report prepared by a designated accountant; licensed to practice in Alberta;
  - Grants over \$10,000 require a Notice to Reader or Compilation Engagement Report prepared by an accountant; or
  - Grants of \$10,000 or less require a detailed financial statement approved and signed by two board members other than the Treasurer, or if a sole proprietorship a copy of the most recent T2125 tax form.
- Promotional materials from the previous year, such as catalogues; and
- A minimum of two books published in the previous copyright year sent by mail is required.

## Grant Evaluation and Calculation

### How Applications are Evaluated

Applications are reviewed to ensure all eligibility requirements are met. Applicants are encouraged to apply early in the intake window in order to provide program staff with adequate time to review the application and request any clarification, if required.

Applicants who do not meet eligibility requirements will not proceed for further evaluation. Following the eligibility review, applications are evaluated using sales revenue and the number of eligible titles published.

## How Grant Amounts are Calculated

Grant amounts are calculated using a formula model.

A coefficient is assigned based on the applicant's sales revenue. Second, the number of eligible titles published in the 12 months preceding the application deadline is identified. The coefficient and the number of eligible titles published are multiplied together, and then multiplied by the sales revenue. The total is divided proportionately within the program budget.

SALES REVENUE THRESHOLD	COEFFICIENT
UNDER \$10,000	4
\$10,001 TO \$100,000	2
\$100,001 AND OVER	1

Eligible grants will not be less than a minimum of \$5,000 or more than a maximum of \$125,000.

Eligible applicants will not receive an increase or decrease of more than 15 per cent from the previous year in the first three years of the program (2022-2025), assuming there is no reduction to program funding.

## Grant Decisions and Payment

Grant recommendations are made to the Minister by program staff based upon the eligibility review and assessment of the application, within the program budget.

Successful, unsuccessful and ineligible applicants will be notified of the status of their application by email. Applicants may contact the Cultural Industries branch via email at [culturalindustries@gov.ab.ca](mailto:culturalindustries@gov.ab.ca) to seek clarity on the reasoning and rationale regarding their unsuccessful or ineligible application.

## Reporting

Grant recipients may meet reporting requirements in one of two ways:

1. The applicant may apply in the subsequent year to the grant program, in which a completed application form with attachments is submitted through the online grant application system and supporting material is received, or;
2. If a subsequent application is not submitted, the grant recipient must submit a full final report through the online grant application system.

The final report will include:

- A breakdown of total expenses, as substantiated by your most recent financial statements;
- The organization's most recent annual financial statements, accompanied by:
  - Grants over \$50,000 require a Review Engagement Report prepared by a designated accountant; licensed to practice in Alberta;
  - Grants over \$10,000 require a Notice to Reader or Compilation Engagement Report prepared by an accountant; or
  - Grants of \$10,000 or less require a detailed financial statement approved and signed by two board members other than the Treasurer, or if a sole proprietorship a copy of the most recent T2125 tax form.
- A description of the outcome of the year, and an evaluation of the success of the year in relation to its original objectives;
- A breakdown of specific business development activities and the project budget, if applicable; and
- Copies of promotional materials for the previous year, demonstrating compliance with recognition requirements.



## Recognition Requirements

If you receive funding, you must publically acknowledge the financial support received with use of the Government of Alberta logo, in all public communications materials and promotional activities related to your business activities.

## Additional Information

### Minister Rights

Pursuant to the Community Development Grants Regulation, the Minister is empowered to make grants to a person or organization for purposes related to any program, service or other matter under the administration of the Minister.

The Minister reserves the right to require an audit of the books and records of any applicant company that receives funding through the Cultural Industries Book Publishers Operating Grant. These records may include, but are not limited to: invoices; payroll records; bank statements; cancelled cheques; audited financials; agreements; contracts with individuals and companies.

The Minister of Culture has full discretion in the administration of programs supported through the Alberta Media Fund (AMF) and in the application and interpretation of these guidelines to ensure funding is provided to those projects that contribute to the fulfillment of program objectives. In all questions of interpretation of these guidelines, the interpretation of the Minister will prevail.

The Minister may decline to accept applications or delay/refuse funding to those applicants undergoing an audit, compliance review or investigation.

The Minister may also vary the eligibility requirements for a grant, the purpose of a grant or a condition on which a grant is made.

The Minister reserves the right to make funding decisions regardless of scoring to ensure support to a diverse portfolio of organizations.

### Funding Conditions

Any funds that are unused or used for a purpose other than approved must be returned to the Government of Alberta.

If an applicant does not apply in the subsequent year, and a final report is not received through the Online Grant Application System, funds awarded must be returned to the Government of Alberta.

### Retention of Records

Retention of records is required for a period of seven years from the date of final payment.

### Freedom of Information and Protection of Privacy

The personal information that is provided on the grant application form will be used for the purpose of administering the Cultural Industry Book Publishers Operating Grant and advising the applicant of grant program updates and relevant ministry initiatives. It is collected under the authority of section 33(c) of the Freedom of Information and Protection of Privacy Act (FOIP Act) and is protected by the privacy provisions of the FOIP Act.

The FOIP Act applies to any information that is provided to Alberta Culture. This information may be disclosed in response to an access request under the FOIP Act, subject to any applicable exceptions to disclosure under the FOIP Act.

Please note, once an application has been approved and funding issued to an organization, the grant recipient, approved expenses, amount funded, community/city, and fiscal year become a matter of public record. Information on grants awarded by Government of Alberta programs is published on the Government of Alberta Grant Payments Disclosure database.

Occasionally, the Ministry may contact applicant organizations to provide information about initiatives or announcements related to the following topics:

- Grant program changes, funding announcements and opportunities to provide input/opinion on programs.
- Awareness of Ministry resources available to the non-profit/voluntary sector including Ministry sector events.

Only authorized contact representatives noted in the grant application may request specific information about grant applicants from the AMF office. For questions about the collection and use of this information, please email [cultural.industries@gov.ab.ca](mailto:cultural.industries@gov.ab.ca).

## Contact Information

Questions and program enquiries can be sent by email to [culturalindustries@gov.ab.ca](mailto:culturalindustries@gov.ab.ca) or by phone at 780-422-8584 (toll free 310-0000).

Supporting material may be submitted by email to: [culturalindustries@gov.ab.ca](mailto:culturalindustries@gov.ab.ca), or by mail to:

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