



What is auspicing?

Auspicing is a service provided to artist members of Ausdance ACT. It is generally the management of grant funds for individual artists for artistic aims. Auspicing by Ausdance ACT means that your grant funds are managed on your behalf, superannuation and other legal obligations are met, and funds are subject to audit reporting. As a peak body accountable to our own funding agency and members, Ausdance ACT will not provide this support for projects with purely commercial aims.

Ausdance ACT may also hold funds for another incorporated association that limited infrastructure and so may not meet the requirements of a funding program. However, in this circumstance the other incorporated association is responsible for employment obligations and other legal requirements, and Ausdance ACT issues the funds on instruction.

What can be auspiced?

Grants from funding bodies, i.e. Australia Council, artsACT, and crowd-sourced funds.

Who/what can be auspiced?

- Artist applying is a current member of Ausdance ACT. Member costs can be charged to auspice funds.
- The project can be reasonably described as 'dance or movement arts'
- The aims of the project fall broadly within the Ausdance national priority areas, which, overall, aim to further the development of dance. Dance/movement in any of these settings can be considered: Professional dance, Youth dance, Educational dance, teacher development or services, Dance or movement as therapy, Community dance
- The cash value is not less than \$10,000. If the potential value is less call the Ausdance ACT director to discuss the project, as it may still meet our aims – we do want to 'advance dance'.

Appropriate project aims:

- Creative development
- Performance/public presentation
- Touring
- Professional development for an individual, group or sector
- Dance industry and/or audience development
- Resource development

Fees

Auspice fees apply to cover staff time, bank and audit costs. Ausdance ACT charges a percentage fee of grant funds, and 2% of wage costs for workers compensation costs. Ausdance ACT will also retain any interest earned while it holds the funds. Crowd-sourced funds are charged 5%, Arts Grants for artists and organisations are charged 10%. The usual procedure is to create the grant budget, then add the 10% auspice fee on top.

How do I get my grant auspiced?

To be auspiced by Ausdance ACT, potential auspicees must contact the Director to discuss auspicing, **prior** to the submission of a grant application.

The Director will advise whether auspicing is possible, and the fee that will be charged. This fee will then be included in your grant application budget as an 'on top' percentage charge after your complete budget is set with all wage and insurance costs included. If the amount available is fixed, the percentage must be included in the fixed amount.

There is an expectation that Ausdance ACT will assist with development of the funding application before it is submitted.

One key matter is how people are employed in the grant, and Ausdance ACT has some clear guidelines to help. Performers will be paid through the PAYG system, so tax, insurance and superannuation obligations are clearly observed.

The auspicing agent (Ausdance ACT) is also required to provide information with your grant application. This may be a letter of agreement or signature on the grant application.

If I receive the grant, what happens next?

When Ausdance ACT auspices a grant, we do the following:

- Sign acceptance of grant documents with the individual / organisation being auspiced
- Receive the grant monies on the individual / organisation's behalf.
- Account for the grant funding separately in Ausdance ACT's accounts.
- Review the budget with the individual / organisation.
- Make payments on behalf of the individual / organisation on provision of a tax invoice, and in line with the budget provided by the auspiced individual / organisation
- Maintain clear and accurate financial records, which are included in Ausdance ACT's annual audit (February each year), for the acquittal report
- Formally employ any performers, so wage budgets must include superannuation and workers compensation of 2% of all wages and personnel fees, whether payment is through the PAYG system or through an ABN.
- Where purchases involving significant GST are made in the project, Ausdance ACT refunds the GST value back to the grant funds automatically through MYOB processing.¹
- Ausdance ACT will retain bank interest unless otherwise arranged.
- Provides the auspiced individual / organisation with monthly statements on their fund activity against budget, or as often as requested by the individual / organisation.

¹ As Ausdance ACT is the responsible entity, when it receives a claim for payment where GST has been paid, the purchase is tagged as a GST purchase in MYOB. In MYOB reports, such a purchase appears in the auspice transaction reports as the purchase expense *less* GST, not as the cash expense, so reducing the expense to the grant funds. This is essentially a neutral transaction for Ausdance ACT, but the benefit of claiming the GST is thus passed on to the person or group with the grant. Ausdance ACT is then required to include that GST amount in its own Business Activity Statement to the ATO. The GST can only be claimed once, by the entity holding the funds and making the payments. It cannot be claimed by the person or group named as grantees and there is no liability on the person or group to either make the claim or declare the GST in any financial report they themselves are required to make.

- Provide a financial report to the funding body at the end of the funding period, to accompany the artistic or any other reports provided by the auspiced individual / organisation.
- Have the funds audited for acquittal purposes and part of the annual Ausdance ACT audit.

What does Ausdance ACT require to do the auspicing?

- A copy of the grant application including budget.
- A tax invoice for **every** payment you require to be made from your grant funds.

Payments can take the form of direct payments to suppliers, or as reimbursement to individuals. In the case of reimbursement, tax invoices for the item/s being claimed must be provided. All expenses must be authorized by the auspiced artist or contact person for the organisation, (i.e. signed invoices) and must be included in the budget.

Insurance

- Public Liability: auspice projects are not covered by Ausdance ACT insurance and separate Public Liability insurance is required for the project. This can be provided by DanceSurance for around \$206 (quoted 10/2/2015).
- Workers Compensation: where dancers, performers or stage managers are involved, Ausdance ACT will engage them as employees for tax, superannuation and workers compensation purposes, no matter how small the amounts of money involved. Budgets must include these amounts. It is the understanding of Ausdance ACT that where creative contributors such as set designers (not working regular hours under the direction of the person / organisation with the grant) claim payment with an ABN, their contribution / hours are not automatically covered by Workers Compensation insurance and they are encouraged to have a personal accident policy in place.

Related Services offered

- Assistance with preparation of application by Ausdance ACT Director
- Assistance with acquittal of grant
- Use of Ausdance office equipment
- Assistance with marketing/publicity. Ausdance may be able to be a point of media contact, create programs, and manage invitations, although this falls more under production services.

More questions?

If you have any questions about auspicing, please contact the Ausdance ACT Director on 6247 9103 or director.act@ausdance.org.au