

## SYMPOSIUM 2013

### ANNUAL GENERAL MEETING – October 3, 2013 (morning)

1. BCACG President: **Peter Armstrong**

*Represents the INTERIOR ZONE  
South/Western Interior & Kootenays  
Sub Area- Penticton*

- Afraid funding dollars will go down
- Appears that the tying of “Gaming Funds” for Charities is dying out and we need to maintain the correlation between Gaming and Charities
- A good marketing campaign could act/replace legal action

2. Susan Marsden has retired from being the “Executive Director” and David Sheach of Abbotsford “Big Brothers Big Sisters” has replaced her. Susan has stayed on as a Director.

3. Existing directors maintained their positions

4. **SPECIAL RESOLUTION OF BCACG (the "Society")**

Adoption of New Bylaws - Passed

RESOLVED as a special resolution that the existing Bylaws of the Society be deleted and that the form of Bylaws attached hereto as Schedule A be adopted as the Bylaws of the Society in substitution for, and to the exclusion of, the existing Bylaws of the Society.

A copy of the new bylaws will be sent to all Charities online.

### WORKSHOP - October 3, 2013 (afternoon)

**URSULA COWLAND: *Executive Director, Licensing and Grants Division***

1. Hiring and travelling freeze at the Ministry and this is the one opportunity at this time we have to have our concerns and questions addressed.
2. Guideline Changes will be in “Plain Language”
3. Short forms are online and are meant to emulate multi-year grants. This can be used only if your request are the same as the year before. Once the long form is accepted you may use the short form for the next 2 years. --- 3<sup>rd</sup> year you will need a new application.
4. If you want to change anything such as programs etc you must use the regular application “online”
5. The remainder of the Workshop was Ursula taking us step by step through the Guidelines and clarifying the information once again.

## SYMPOSIUM – October 4, 2013 (all day)

THEME WAS:

“The Third Sector: The Contributions, Rights and Responsibilities of Non-Profits and Charities in a Democratic Society

We are a vital and economic sector in our Society. Great Britain has a Ministry of the 3<sup>rd</sup> Sector

**1<sup>ST</sup> SPEAKER - Dr. Michelle Gauthier**

Vice-President, Public Policy and Community Engagement, Imagine Canada

### **WHAT IS IMAGINE CANADA**

Imagine Canada is a national charitable organization whose cause is Canada’s charities and nonprofits. We support and strengthen charities and nonprofits so they can, in turn, support the Canadians and communities they serve.

- We strengthen the sector’s collective voice;
- We act as a forum and meeting place; and,
- We create an enabling environment in which organizations contribute to building stronger communities.

### **WHAT THEY DO**

Imagine Canada is a national registered charity with offices in Toronto, Calgary and Ottawa. Our cause is Canada’s charities and nonprofits. It is our mission to support and strengthen charities and nonprofits so they can, in turn, support the Canadians and communities they serve. We work on a variety of issues and challenges that face the sector, often in partnership, including funding, human resources, volunteerism, governance, sector accountability and better understanding of the sector through research. It is our role to be a strong voice to issues and challenges and bring them to the forefront of Canada’s key decision makers and influencers. Imagine Canada is also a forum and meeting place where the sector can come together to mobilize, share knowledge and best practices as well as plant the seeds of innovation. And, we work to create a supporting environment to help charities and nonprofits with tools and resources to enable them to achieve their missions for stronger communities

- Reinventing Our Relationship with Government and the Public
- How Charities and Nonprofits are Taking Charge of their Agenda
- Strengthen our collective voice
- Create opportunities to connect & learn from each other
- Build Sector’s capacity to succeed.
- to support Canadian Charities

**Private Members Bill C-470** - The bill was first introduced in the House in October 2009

- Received Third Reading in the House of Commons on March 8, 2011
- Received First Reading in Senate on March 9, 2011

Bill C-470 introduced a disclosure obligation requiring registered charities to disclose the name, job title, and annual compensation of all executives or employees of a charity who receive \$100,000 or more in compensation from a charity, including both taxable and non-taxable income

Imposed mandatory obligation for the Minister to make compensation disclosures available to the public unless "it is otherwise justified". Prior to Third Reading the Bill was substantially amended by the Standing Committee on Finance, which presented its report to the House of Commons on December 10, 2010

***Bill C-470 would have given CRA the discretion to revoke charitable status of a charity if it pays a single executive or employee annual compensation over \$250,000.00***

As a result of the dissolution of Parliament on March 26, 2011, Bill C-470 died on the order paper

Now that Bill C-470 has died, it is not clear whether the Bill will be re-introduced in the next Parliament, since Bill C-470 had had its genesis as a private member's bill

The charity sector will need to carefully monitor what happens in this regard following the election

It would allow the Minister of National Revenue to deregister any charitable organization, public foundation, or private foundation that paid any employee \$250,000 or more in total compensation (including salary, paid benefits, and unpaid benefits). Effectively, this would put a compensation cap on charitable organizations and foundations. It would also allow the Minister to publish the names and compensation details of a charitable organization's or a foundation's five most highly paid employees, regardless of their compensation level.

To read this bill please go to:

[http://www.imaginecanada.ca/files/www/en/publicpolicy/c-470\\_top12\\_qanda\\_14052010.pdf](http://www.imaginecanada.ca/files/www/en/publicpolicy/c-470_top12_qanda_14052010.pdf)

## **NEGATIVITY OF PRESS DOES NOT HELP OUR CHARITIES.**

- MEDIA – do you know where your money goes.
- Money Sense
- Charity Intelligence Canada

## **10 WAYS TO ENGAGE GOVERNMENT**

Set our own agenda and speak with 1 voice (National Engagement Strategy)

### **1. FOUR PRIORITIES FOR ACTION**

- better understanding of the sector and its impact
- more diversified and sustainable financing of the sector
- improved conditions for the attraction and retention of paid staff
- enhanced support for organizations to engage volunteers / external talent

### **2. RECLAIM AND REFRAME OUR NARRATIVE**

- Information from the Sector

- Entire Sector Drawing from the Same Source of Knowledge
- Core resource documents
- Data/Facts
- Argumentation
- Impact Proof Points
- Create the tools
- Web Page
- Facebook
- Twitter, etc.

### 3. ENHANCE OUR FINANCIAL SUSTAINABILITY AND INDEPENDENCE

- 1) *Consultation re: impact of decision-making*
- 2) *Transparency and accountability*
- 3) *Reasonable transaction periods*
- 4) *Public policy engagement*

**CONSULTATION** – Where funding and policy decisions are being made or are under review, charities and nonprofits should be informed and consulted at an early stage and throughout the process to more accurately assess the likely or unforeseen impacts of proposed changes on the individuals and communities they serve. As charities and nonprofits have a long history of stretching dollars or finding creative alternatives, their early and ongoing engagement can lead to innovative and locally appropriate solutions.

**TRANSPARENCY AND ACCOUNTABILITY** – Clear and timely information on all aspects of funding and policy decisions should be provided in an open and transparent manner, and decisions should be made and communicated in a timely fashion. Delays in transferring funds or in decision-making affect not only charities and nonprofits but more importantly the beneficiaries whom they are called to serve.

**REASONABLE TRANSITION PERIODS** – Negative funding decisions or contested policy decisions should be accompanied by reasonable transition periods to allow organizations to adapt accordingly and where necessary seek other funding sources or to streamline their operations as required to continue to fulfill their mission. Canadians who depend on the sector’s support and services should not be blind-sided by sudden policy or funding changes that leave organizations they count on unable to adapt.

**PUBLIC POLICY ENGAGEMENT** – Debate and dissent are inherent to a democratic society and should not affect negatively any funding relationships that might exist between the government and the sector. The right of a democratic society to articulate different points of view and give greater voice to citizens, particularly when difficult choices must be made, must be safeguarded. No charity or nonprofit should have to choose between voicing the views of the citizens it serves and seeking federal funding. Charities and nonprofits are more determined than ever to fulfill their missions in the face of growing and changing need. Systematic adherence to the practices outlined above will strengthen the capacity of both the federal government and the sector to respond effectively and efficiently to the current and emerging expectations of the communities we serve together both in Canada and around the world. Canadians rightly expect and deserve nothing less.

Our (Imagine Canada) research maps the sector. We assess and analyze how the sector is structured, the challenges it faces and how it stacks up internationally.

We do this in order to raise the profile of the sector. Increased awareness and understanding will lead to improved and increased investment. This will ensure the sector can continue to play a pivotal role in strengthening communities across Canada.

## Key Findings

- Canada's nonprofit and voluntary sector is the 2nd largest in the world; the Netherlands is the largest; the United States is the 5th
- there are an estimated 165,000 nonprofits and charities in Canada
- half of these (54%) are run entirely by volunteers
- 2 million people are employed by these organizations representing 11.1% of the economically active population
- the sector represents \$106 billion or 7.1% of the GDP (larger than the automotive or manufacturing industries)
- smaller provinces have a higher number of organizations relative to their populations
- the top 1% of organizations command 60% of all revenues

Grants: [www.grantconnect.ca](http://www.grantconnect.ca)

A comprehensive tool connecting charities with funders



- Detailed info on all grant-making foundations & charities, corporate community investment programs, & government grants
- Easy-to-use relationship management tools

Email [grantconnect@imaginecanada.ca](mailto:grantconnect@imaginecanada.ca) to request a free tutorial!

## THE STRETCH TAX CREDIT

- Encourage more Canadians to give and support those who do give to give more
- Endorsed by 70% of organizations that appeared before the Committee
  - *Canadians support charities that are working to build stronger communities at home and around the world. Let's make it easier for Canadians to support the causes that matter to them the most!*
  - **Imagine Canada proposes the [Stretch Tax Credit for Charitable Giving](#), a new and simple tax incentive for all Canadians.**
  - **The purpose of the Stretch Tax Credit for Charitable Giving is to encourage more Canadians to give and to support those who do give to give more.**
  - **How it works:** *The Stretch Tax Credit for Charitable Giving would increase the federal charitable tax credit for individuals by 10% on all NEW giving that exceeds previous donations. This incentive will allow Canadians to "stretch" their giving even more.*
  - *In the most recent version of our proposal, in our August 2011 [prebudget submission](#) to the House of Commons Standing Committee on Finance, the first new dollar of donation – regardless of level – would be eligible for the Stretch Tax Credit.*
  - **Why we need it:** *Charities and nonprofits in every community work on behalf of Canadians to provide services and supports that contribute to quality of life and economic prosperity. We need to act now to renew and grow Canada's charitable sector and donor base to ensure*

*organizations working across the country and around the world can meet the changing needs and growing demands of the individuals, families and communities they serve.*

## THE SUPER CREDIT

- Budget 2013 introduced this new tax credit for first- time donors
- Important first step en route to the Stretch

### **The First-Time Donor's Super Credit**

On March 21, the 2013 federal budget announced the establishment of a new tax incentive for charitable giving. The First-Time Donor's Super Credit will be available to people who have never claimed the federal charitable tax credit, or whose most recent claim of the existing credit was in 2007 or earlier. The Super Credit will add 25 percentage points to the federal charitable tax credit the first time these individuals claim charitable donations made between March 21, 2013, and the end of 2017.

Imagine Canada's President, Marcel Lauzière, recently published a [blog post](#) ("Super Credit, Super Opportunity") exploring the background and motivation behind the Super Credit, and why we see it as a positive step for charities. The Super Credit is an important step on the road to achieving the full [Stretch Tax Credit for Charitable Giving](#) that charities across the country have asked the federal government to implement. The Stretch has two goals: to get Canadians who do give, to stretch their giving, and to get those who have yet to give, to give for the first time. The Super Credit responds directly to this second objective.

## HOW THE SUPER CREDIT WORKS

The Canada Revenue Agency has produced a [technical overview](#) of the Super Credit.

Imagine Canada has produced a document discussing some of the broader issues around the Super Credit and providing answers to some of the most [frequently asked questions](#) about it.

We have also prepared [charts](#) showing how the Super Credit will affect the charitable tax credit in each province and territory, and what the Super Credit means to someone claiming donations at the \$1000 maximum.

### **Reaching eligible donors**

General tips on how to use the Super Credit are available in a [blog post](#) on the [Association of Fundraising Professionals' \(AFP\)](#) website.

People eligible to claim the Super Credit will mainly fall under three categories:

- younger people who are only starting to file income taxes;
- new Canadians (citizens and permanent residents); and,
- people who used to give, but have not claimed a tax credit since 2007.

AFP has a [primer on reaching new donors](#), as well as other resources, which they have made publicly available to assist charities to take full advantage of this new credit.

## PROMOTING THE SUPER CREDIT

*The federal government will be promoting the Super Credit through its regular communications channels, through Ministerial events and announcements (such as [the event Minister Flaherty held in Kitchener-Waterloo on May 27](#)), and through information that the CRA will distribute at tax time. There are a number of strategies you may want to employ locally to help get the word out as well.*

- *Your Member of Parliament frequently sends out newsletters highlighting federal government initiatives. You may be able to work with him or her to ensure that the Super Credit is part of these constituency communication efforts.*
- *Many of you will already have links with accountants, financial planners, or tax preparation specialists. These people are in an excellent position to explain the tax benefits of the Super Credit to their clients and to put charitable giving on the radar of people to whom it might not otherwise occur.*
- *You may already work directly with new Canadians (both citizens and permanent residents), or have contact with community leaders who can help you reach them. Tapping into these networks can help you craft appropriate messages and identify champions who can emphasize the value of charitable giving.*
- *While there is no fool-proof way of identifying lapsed donors who are eligible, you may be able to identify people who have not donated to your organization since 2007, and use the Super Credit as a hook to re-establish contact with them.*
- *Through your board members or other supporters, you may have links with other prominent community organizations, such as Chambers of Commerce or trade unions, which may be able to help you get the word out.*
- *The people who already support you, who already believe strongly in what you are doing, may be the most effective ambassadors and champions you have. Many of them may have young family members or friends who have not yet claimed charitable donations but who want to help their community thrive.*

## NEXT STEPS

In its recent [report on tax incentives for charitable giving](#), the House of Commons Finance Committee recommended that the federal government examine implementing the Stretch Tax Credit when the fiscal situation improves. As Canada moves towards a balanced budget, the federal government will have more flexibility to implement creative solutions to long-standing challenges; the momentum for the Stretch is building, and we will keep making the case for it.

To help make that case, we will need to document how the Super Credit is working. Evidence will be vital and we will collect as much data as possible. But also important will be examples of how charities have used and benefitted from the First-Time Donor's Super Credit. As you embark on your efforts, if you have stories you would like to share – about how you have approached new donors, or the success you have had – we would like to hear them. We are also looking for case studies of organizations that could document both the costs and the impact of marketing the Super Credit.

## 4. EARNED INCOME

How and why do charities and nonprofits engage in earned income activities?

While the scale, scope, and range of possible earned income engagement vary greatly across the sector, for the vast majority of organizations, earned income is far from a new phenomenon. **Many organizations have long relied on fee-for-service arrangements; membership fees; sales of publications; performances and events; and or related businesses to help them fulfill their missions.** In some organizations, the earned income activity may be completely integrated with the mission of the charity or nonprofit. For example, some charities operate thrift stores or cafes in order to employ marginalized workers. In other organizations, earned income activities may be a natural outflow of excess capacity, such as hospitals that operate parking lots or gifts shops or organizations

that offer consulting services related to their expertise. For others still, earned income activities can be the development and sale of a product or service, such as cookies, calendars, or access to exercise facilities. However, for some organizations, the need to consider and engage in earned income is a relatively recent reality.

No matter how deep an organization's previous engagement in earned income activities, charities and nonprofits are driven to explore earned income opportunities either more fully or for the first time for a variety of reasons. For some, interest in earned income activities is sparked by the identification of a niche business or income opportunity based on the organization's particular area of expertise. For others, earned income is a way to free their organizations from short-term project and funding cycles. For others still, earned income activities are a way to combat constraints in philanthropic support or government funding. Whatever the motivation, earned income activities, when properly pursued, provide opportunities to create spaces for experimentation and innovation, to forge paths toward greater independence and long-term sustainability, and to further enhance the organizational mission and impact.

### **What are the four fundamental pillars of this framework?**

As we mentioned earlier, earned income is not a new concept for most charities and nonprofits. In fact, the most recently available Statistics Canada data indicates that earned income activities are responsible for 40% percent of all revenues flowing to the sector in 2008, when membership fees are included in the equation. For the charitable and nonprofit sector to build on the assets that it has already developed in pursuing earned income activities, Imagine Canada suggests that sector leaders and their partners in government and business, need to ensure that the following four fundamental pillars are considered when undertaking any new earned income initiative. These pillars are

- 1) Financial Capital**
- 2) Human Capital**
- 3) Market Demand**
- 4) Regulatory Environment.**

These pillars, along with a brief description of their intended outcomes, are presented below.



### **1. Financial Capital**



Financial capital refers to the financial resources that organizations require for starting, maintaining, or expanding earned income opportunities. It includes the resources that may be used for major capital investments, such as buildings and infrastructure, start-up capital for new initiatives and projects, and working capital for financing daily operations. These resources include financial products across the spectrum such as grants, loans, and investments and can come from many sources including traditional banks, credit unions, foundations, and private investors. Capital also includes new and emerging models such as Social Impact Bonds in which non-traditional financiers are becoming contract partners along with government and the sector in funding and fee-for-service arrangements. The type, amount, and function of the capital will depend on the particular needs of the organization and will vary throughout its life. Finding the right type of capital for the right use can be challenging at times, but without appropriate capital it is unlikely that the earned income opportunity will thrive.

## **2. Human Capital**

As would be the case with any business opportunity, a continuum of talent with a wide range of skills is required to start, maintain, and grow earned income opportunities within charities and nonprofits. Organizations need to have access to the right business skills, such as business plan development, product or service development, sales, and marketing. They also need the right management skills to provide the leadership and communications to ensure that the wide array of key stakeholders (e.g. boards of directors, other volunteers, staff, donors, and the public) remains supportive of and engaged in the effort.

An organization may be able to train existing staff in the skills required to start, maintain, or grow an earned income opportunity. Alternatively, an organization may have to hire new talent or access it externally through highly-skilled volunteers or through federal or provincial programs similar to those that provide support for small and medium sized enterprises. It is important to note that acquiring the right people and right skills also means being able to retain them to ensure the sustainability of the effort. Organizations need to give serious thought to their talent attraction and retention strategies, including their ability to offer competitive compensation, benefits, and growth opportunities to paid staff and rewarding volunteer experiences to their highly skilled external talent.

## **3. Market Demand**

In order for earned income to become a successful source of revenue for an organization, adequate market demand must exist or be created for its products and services. One cannot sell a product or a service without a buyer, and finding a buyer may not be as easy as one thinks. The customers for an organization's products or services are not necessarily the same as its donors, funders, or even clients. In some cases, a ready customer market may not even be established. Thus, an organization seeking to engage in earned income opportunities will often need to research and develop its markets.

This may mean that the organization will have to conduct thorough market research to understand their competitors and their environment as well as develop and execute a new marketing plan to advertise the sale of its goods and/or services. It may entail seeking out new segments of the population that the organization has not previously targeted through its fundraising campaigns. In many cases, developing market demand will require new financial and human resources and new ways of thinking about an organization's offerings.

## **4. Regulatory Environment**

The regulatory environment provides the operating context for charities and nonprofits to legally engage in earned income activities and will affect how an organization structures its earned income opportunity. It is important that charities and nonprofits have a detailed understanding of the regulations that govern them, whether federal, provincial, or territorial. While many provincial governments are changing regulations and legislation to enable earned income activity, it is also important that charities and nonprofits recognize that they remain subject to federal government regulations and requirements as defined by the Income Tax Act and administered by the Canada Revenue Agency.

Since charities and nonprofits are treated differently within the Income Tax Act, there are different regulatory requirements, which apply to each. These regulations govern how profits are treated and taxed by the Canada Revenue Agency. For example, a charity will need to assess whether the earned income opportunity is a related or an unrelated business. The Income Tax Act only allows charities to pursue profits through related businesses. Moreover, even if the enterprise is deemed a related business, charities must ensure that this related business does not represent an inordinate amount of its resources, thus jeopardizing the organization's charitable status.<sup>5</sup>

Nonprofits, on the other hand, have no restrictions on the type of earned income activity they can pursue. However, they are prevented from generating a profit, even if this profit is intended to support the mission of the organization. As such, some would argue that there is more freedom to engage in earned income activities, if the organization has charitable status.

In addition to the treatment of profits, the regulatory environment will also affect the type of financing that can be used, incorporation guidelines, and reporting requirements. The regulatory environment can seem complex and overwhelming but much work has already been done to help charities and nonprofits address many of these considerations as they relate to earned income.

#### 4. ENGAGE THE CONTINUUM OF TALENT

- Volunteer Priority

- [Volunteer Canada is](#)

- leading with a focus on active citizenry
    - When you stop to think about it, volunteers are all around us.
    - More than 13.3 million volunteers in Canada contribute 2.1 billion hours of time every year.
    - Imagine what your community would look like if all of that went away.
    - That's why it's important that volunteers stay engaged. And that's why volunteer recognition is so important.
    - At Volunteer Canada, we believe recognition is a year-round activity.
    - For more information go to <http://volunteer.ca/>

- Human Resource Priority

- Students (verb) Charities contest put us on the radar screen



The campaigns are a fresh approach to looking at our sector and how we tell our stories to others." Bob Wyatt, Executive Director of The Muttart Foundation

"The winning entries provided innovative ways to engage Canadians with all charities, both locally and nationally." Marcel Lauzière , President and CEO of Imagine Canada

- To read further on this go to <http://studentsverbcharities.ca/en/home.htm>

## 5. BE AS TRANSPARENT AS POSSIBLE...

- CHARITY FOCUS is provided by Imagine Canada, a national charitable organization whose cause is Canada's charities and nonprofits. We support and strengthen charities and nonprofits so they can, in turn, support Canadians and the communities they serve.
  - <http://www.charityfocus.ca/EN/Pages/Home.aspx>
  - CharityFocus is the premier tool for finding information about the 85,000 registered charities in Canada. You can search by specific organization or find charities in your community or area of interest.
- Tell your story. Connect with your supporters.
- Upload your mission statements, program information, social media feed, annual reports and financial statements.
- Remind them of the administrative costs and burdens
- **Canadian Anti-Spam Legislature** – Bill C-28 Federal (CASL)
  - What is CASL all about?
  - In a nutshell, CASL prohibits:
    - (a) spamming - the sending of unsolicited commercial electronic messages ("CEMs") whether in the form of e-mail, text messages, social media or other means of telecommunication (section 6)
    - (b) hacking - the unauthorized altering of transmission data (section 7);
    - (c) malware - the installation of computer programs without consent that result in phishing<sup>4</sup>, pharming<sup>5</sup> and/or spyware<sup>6</sup> (section 8);
    - (d) fraud - the making of deceptive representations online, including representations on websites and in CEM addresses (section 75);
    - (e) harvesting - the use of computer systems to collect electronic addresses without consent (section 82(2)); and
    - (f) privacy invasions - the unauthorized access to a computer system to collect personal information without consent (section 82(3)).

***On June 28, 2013 it was announced that the final Industry Canada regulations that will apply to Canada's Anti-Spam Law (CASL) have been delayed again following intensive lobbying from industry groups, for changes to the proposed regulatory package. The proposed timeline expects to see the final regulations early fall 2013, with CASL becoming effective in September/October 2014.***

## 6. LEAD THE WAY ON STANDARDS INTERNATIONALLY... AND ENSURE ACCESS FOR ALL

For more Information go to: <http://www.imaginecanada.ca/en/node/172>

Imagine Canada's new [Standards Program](#) launched in May 2012. Designed to strengthen public confidence in the charitable and nonprofit sector, the Standards Program is among the first of its kind at a national level. It offers accreditation to charities and nonprofits that can demonstrate excellence in five key areas:

- board governance;
- financial accountability & transparency;
- fundraising;
- staff management; and,
- volunteer involvement.

The Standards Program is first and foremost a capacity-building initiative. Any organization may use the standards to improve and monitor its practices. Information about how to comply with the standards, as well as tools and resources to help organizations continue to strengthen their practices, is available free of charge. Organizations wishing to demonstrate publicly that they meet the standards can participate in a voluntary peer-review-based accreditation process.

Download our Overview of the Standards Program powerpoint for more information.

**Mission:** To build excellence within Canada's charities and nonprofits through common standards of practice and to strengthen confidence in the sector.

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7.