

CHARITY AWARDS

A JOINT VENTURE WITH THE VOLUNTARY SECTOR REPORTING AWARDS



Clockwise, from top left: Deryck Williams, left, a partner and national leader for charity and not-for-profit organizations at Grant Thornton, presents the VSRA Total Revenues over \$10-million award to Vita Community Living Services; George Boland, left, associate director of the CPA-Queen's Centre for Governance, presents Hospice King Aurora with the VSRA Ontario Total Revenues up to \$1-million prize; Dr. David Saunders, right, dean of the Queen's School of Business, presents the VSRA National Organizations award to YOU CAN; Rod Barr, left, president and CEO of the Chartered Professional Accountants of Ontario, presents the VSRA Internal Organization award to Canadian Feed The Children; Deryck Williams of Grant Thornton, left, presents the VSRA Ontario Total Revenues from over \$1-million to \$10-million award to United Way Kingston, Frontenac, Lennox & Addington.

Honouring transparency

Queen's School of Business and CPA-Ontario announce the Voluntary Sector Reporting Awards winners

With charitable donors asking more questions than ever about how their dollars are spent, it's vital that non-profit organizations be able to provide simple yet comprehensive answers.

For the past six years, the Voluntary Sector Reporting Awards (VSRAs) have helped more than 400 non-profits, most of them in Ontario, get better at telling the public what they do and exactly how much it costs to go about their jobs.

The awards, organized by the CPA-Queen's Centre for Governance, were conceived as "an educational program more than a competition," says director Steve Salterio. Less than a decade ago, most non-profits didn't disclose financials except on request or would send interested parties to the Canada Revenue Agency website, he says. Today, however, it is rare to see a

group that doesn't have an accountability statement. "We've tried to lead by the power of positive example."

One organization that has participated in the VSRAs since the beginning and is being honoured this year, not just as a winner but as an exemplar, is Hospice King-Aurora, which has just three employees and receives 75% of its funding from donations. It is located in Aurora, Ont., just north of Toronto.

"We received amazing feedback, which is why we kept going," says director of programs Heidi Bonner, who notes the in-depth critiques from the judges allowed the hospice to improve its annual report year after year. "It shows to those raising money on our behalf that we are well-run and transparent, which is a huge thing. With so many charities and good causes, it does give us a bit of an edge."

When the VSRAs opened up in 2013 to include not just organizations headquartered in Ontario but national and international charities with a presence in Ontario, Edmonton-based YouCan became eligible to enter for the first time. Its mission is to equip youth to engage and inspire others to peacefully resolve conflicts

and develop healthy relationships in their communities.

Almost all the YouCan staff is under 30. They wanted to make a "pre-emptive move" to show funders and donors that they were as serious about accountability and transparency as organizations that might

have more seasoned staff and boards, says chief executive officer Dave Farthing. "Youth is not always given the same credibility," he says. "We felt we'd been making a lot of progress with auditors and annual reports so we thought we'd take the challenge." Thanks to these efforts, YouCan won.

For Canadian Feed The

Children has come a long way from the days when its annual report was more like a pamphlet, she says. "It's a thrill to receive the award because the board and staff work so hard. And it also means a lot to our donors. If you want to make a difference for children that lasts, this reports helps (our organization's) thinking come to life."

While putting together the comprehensive financial statements and accessible information the VSRAs requires demands considerable effort, participants say it is worth the effort. "We work on it as a team, spend a lot of time and include lots of pictures that really reflect who we are and the heart of our business," says Kim Lenihan, CEO of Vita Community Living Services, an Ontario winner that operates in Toronto and York Region.

She says one of the VSRA sponsors said to her at the awards luncheon that Vita's annual report was "so transparent that anyone reading it would feel comfortable giving because you can tell who you are, what you do."

Lenihan understands donors and funders want to know where their money has been put to work. "Did we open new homes? Did we appraise our staff? The public wants to know what's happening with their money."

George Boland, associate director of the CPA-Queen's Centre for Governance, says the best annual reports don't just explain financials, including how much is spent on fundraising versus programs. They also create a "sense of community with stakeholders. They very much explain, 'This is who we are and this is where we work in the community.'"

Postmedia

We've tried to lead by the power of positive example

IF

you want Canada's most respected MBA, you have four ways to earn it.

You can earn Queen's MBA, no matter where you live in Canada.

Find the MBA program that's right for you at qsb.ca/mba

Queen's MBA

“Canada’s non-profit and voluntary sector is the second-largest in the world after The Netherlands. There are 170,000 non-profits and charities in Canada; 54% are run entirely by volunteers. Two million people are employed by non-profit organizations



George Boland, left, associate director, CPA-Queen’s Centre for Governance, and Steve Salterio, director of the CPA-Queen’s Centre for Governance.

Centre encourages best practices by non-profits

When the CPA-Queen’s Centre for Governance was launched in 2007, the bursting of the tech bubble and such corporate scandals as the collapse of Enron and Worldcom, were fresh in people’s minds. The public’s focus was on the corporate world and how it could become more transparent and accountable.

But Steve Salterio, today the Centre’s director and a professor of accounting, had noticed it wasn’t just corporate people attending the university’s governance seminars and courses. “I was being asked to teach in governance programs for for-profits and I kept running into all these not-for-profit

people,” he said. “Something just clicked in my head.”

The Centre’s primary mission is research in the area of governance, but from the beginning it has prioritized assistance to Canada’s not-for-profit sector. It offers grants for participants from the sector who attend Queen’s governance programs, does case writing on governance problems unique to the sector, and organizes the annual Voluntary Sector Reporting Awards (VSRAs), which have attracted more than 400 participants since inception.

The Centre posts related webinars on YouTube and publishes an online guide. Its Twitter account is @VSRARewards and during the

awards, participants tweeted using the #VSRAs hashtag.

More than 30 researchers have signed up with the Centre and are eligible for grants. It’s a cross-faculty endeavour with participants from the law and business schools, the univer-

sity’s economics department and policy studies program.

Although funded by Chartered Professional Accountants of Ontario (formerly the Institute of Chartered Accountants of Ontario), Salterio says, “it is not an accounting thing only.”

Salterio has an extensive background in non-profits, having served on more than 30 boards, and understands its importance in the national economy.

There are an estimated 170,000 non-profits and charities in Canada; 54% are run entirely by volunteers. Two million people are employed by non-profit organizations and the sector represents \$106-billion or 8.1% of GDP, which is larger than the automotive or manufacturing industries.

There is an increasing awareness in the charitable sector about the importance of accountability. At the 2012 VSRA luncheon, guest speaker Dave Toyce, chief executive of World Vision Canada, asked a question that just wouldn’t have been asked 10 to 15 years ago, says Salterio: “Why spend money on accountabil-

ity when there are thousands of starving children in the world?” He went on to answer his own question, stating that accountability is necessary to achieve one’s mission in the long-term.

Organizations need to accept that being accountable is not always going to be a good news story, says George Boland, the Centre’s associate director. “They shouldn’t be afraid to talk about things that didn’t go right and areas that need improvement,” he says. Salterio adds they need to be open about “success and failures, risks and challenges, accomplishments and achievements, in a readily accessible format.”

Postmedia

“Groups shouldn’t be afraid to talk about things that didn’t go right

Ontario), Salterio says, “it is not an accounting thing only.”

VSRA AWARD WINNERS

The winners in the five categories of the Voluntary Sector Reporting Awards:

International Organizations
Canadian Feed The Children, Toronto

National Organizations YOU CAN, Ottawa

Ontario-only organizations Total Revenues over \$10-million Vita Community Living Services, Toronto
Total Revenues from over \$1-million to \$10-million United Way Kingston, Frontenac, Lennox & Addington, Kingston, Ont.

Total Revenues up to \$1-million
Hospice King (operating as Hospice King-Aurora) Aurora, Ont.
Honourable Mentions Aurora Cultural Centre, Aurora, Ont.
Covenant House Toronto, Toronto

Effective reporting gains public trust

ACCOUNTABILITY

Charities overcome variety of challenges to provide services

Most active charities and non-profit organizations know they need to be more transparent and accountable, but getting there is not always easy, says Cathy Barr, senior vice-president

at Imagine Canada, a charity that works to support and strengthen charitable organizations and non-profits.

Of the more than 85,000 Canadian charities, many have a skeleton staff or no staff at all and run largely on volunteer power.

Creating an annual report, which can be a drain on resources at large corporations, can pose a real problem for a non-profit with a tight budget.

“These organizations don’t exist to be transparent,” says Barr. “They exist to fulfill their mission.”

Steve Salterio, director of the CPA-Queen’s Centre for Governance that organizes the Voluntary Sector Reporting Awards, echoes Barr’s concerns that people planting trees or teaching others how to read often don’t understand what information the public wants and how to put it together.

They are “focused on client services and don’t always recognize what is ‘doing good’ in being accountable,” he says.

There is also a tension between the public’s call for a maximum amount of donations to go to programs, not overhead, while calling for more transparency and accountability, says Barr. “Accountability and transparency are overhead,” she notes. “They take time and consume resources.”

Even to enter the VSRAs, which offers extensive feedback to all entrants, non-profits have to pass a pre-screening.


If they don’t make it, they get an information package and are encouraged to implement changes and try again.

George Boland, associate director of the CPA-Queen’s Centre for Governance, says it can be difficult for a small charity, or even a big one, to find someone who’s good at reporting, and who will do the work required for either a limited fee or no fee at all.

That’s one reason the judges of the VSRAs provide all 130 eligible entrants with extremely detailed critiques of their annual reports.

Imagine Canada is another place for charities to go for help and Barr says there’s “pretty widespread awareness” of the benefits of accountability, noting that more than 60 participants signed up for a recent webinar. “This is considerably more complicated than a bunch of nice people doing nice things,” she said.

Postmedia



Hemophilia Ontario
We’re All Related by Blood


Since 1956 Hemophilia Ontario has provided information, programs and services to infants, children, men and women living with inherited bleeding disorders, their families, friends and support networks. Bleeding disorders are hereditary (at birth) conditions that affect everyone regardless of race, colour or ethnic origin. The blood of a person with an inherited bleeding disorder does not clot properly and there is no cure. About 300,000 Canadians carry an inherited bleeding disorder gene. One in ten of these people – at least 30,000 Canadians – have symptoms severe enough to require medical care, but, often, they don’t recognize or ignore the symptoms so are not properly diagnosed.

affected children attended camp, 2300 people participated in educational programs and \$30,400 was provided through financial assistance.

We have been, and continue to be, a leader in raising awareness around issues for women with bleeding disorders, a group that continues to be under-served and whose health care needs deserve greater attention. Hemophilia Ontario is active in ensuring the safety of the blood supply in Canada through constant vigilance and monitoring and the provision of prevention materials.

A provincial volunteer driven health charity, Hemophilia Ontario strives to improve the health and quality of life for individuals living with an inherited bleeding disorder and to find a cure. We would like to take this opportunity to express our heartfelt thanks to those who assist this strong organization to deliver on its core values.

Staff and volunteers work together to deliver innovative educational programs. With the support and partnership of the provincial Hemophilia Treatment Centres, in 2013, 89



Join us to help create a world where children thrive!

With the support of thousands of compassionate Canadians, Canadian Feed The Children reduces the impact of poverty on children by working with local partners in Canada and internationally.

Together, we are strengthening communities from within, and empowering hundreds of thousands of people to implement their own sustainable solutions to improve family food security and increase access to education for children.

We are grateful to everyone who joins us in our mission to achieve long-term, meaningful impact for the children and families we serve. To learn more:

Please call 1-800-387-1221 or visit www.CanadianFeedTheChildren.ca

