

Voluntary Sector Initiative

The Journey

Continues

The **Second Report** to Canadians
on Implementing An Accord
Between the Government of Canada
and the Voluntary Sector

Background Paper:
Voluntary Sector Implementation

Prepared by the Voluntary Sector Forum
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Table of Contents

ABOUT THIS PAPER	1
A. THE FOUNDATIONS FOR CHANGE	2
B. PROGRESS ON PRIORITIES	3
■ Continue a commitment to a joint partnership	3
■ Encourage government action on advocacy	5
■ Continue efforts to encourage government action on financing	6
■ Establish monitoring and evaluation mechanisms	7
C. LOOKING AHEAD	10

About this Paper

A little background

Almost five years ago, the Government of Canada announced the Voluntary Sector Initiative (VSI), a joint initiative between the federal government and the voluntary sector aimed at enhancing the sectors' relationship and strengthening the voluntary sector's capacity over the long term. From the outset, a major focus of the VSI was the development of a joint accord or framework agreement that would provide visible and concrete recognition of the importance of the relationship. Signed on December 5, 2001, *An Accord Between the Government of Canada and the Voluntary Sector* also called for practical guidelines to support implementation of the Accord. Less than a year later – in October 2002 – the Code of Good Practice on Funding and the Code of Good Practice on Policy Dialogue were launched.

The Journey Continues: The Second Report to Canadians on Implementing An Accord Between the Government of Canada and the Voluntary Sector fulfills the sectors' commitment to report annually to Canadians on their progress in implementing the Accord. A collaborative effort, the report provides highlights of the two sectors' accomplishments from October 2003 to September 2004. In addition to looking back over the past year's activities, it sets out joint priorities for the sectors into the coming year. (*The Journey Continues* is available on the VSI Web site at www.vsi-isbc.ca.)

What this paper does

One of two background papers to the joint report, this document is intended for those wishing a more detailed assessment of voluntary sector activities over the past year (the background paper outlining federal government activities is available on the VSI Web site at www.vsi-isbc.ca). A particular focus of this background paper is the results of a survey of voluntary sector organizations undertaken in the summer of 2004 to monitor progress on Accord implementation.

The paper describes the voluntary sector's activities and accomplishments in the areas established as priorities by the sector in the previous year's supplementary report, *Taking the Accord Forward: Background Paper – Voluntary Sector Implementation*. These priorities were to:

- continue a commitment to a joint partnership between the voluntary sector and the Government of Canada
- encourage government action on advocacy
- continue efforts to encourage government action on financing
- establish monitoring and evaluation mechanisms for voluntary sector awareness and use of the Accord and Codes

Section C of this paper looks to the future, setting out the voluntary sector's priorities as it continues its work in implementing the Accord and Codes of Good Practice on Funding and Policy Dialogue.

Find out more!

For more information about these reports, or to find out more about the Accord and Codes of Good Practice or the VSI, see the VSI web site at www.vsi-isbc.ca or the Voluntary Sector Forum Web site at www.vsf-fsbc.ca or call (613) 238-7555 or 1-800-821-8814 (toll free).

A. The Foundations for Change

Overview of the Voluntary Sector Forum

As the leadership structure guiding the voluntary sector's activities as part of the VSI, the Voluntary Sector Forum (the Forum) has a three-part mandate:

- *Oversee the VSI*

One of the Forum's main priorities is to oversee the work of the VSI during its implementation phase. As part of its work in this area, the Forum is directing a number of projects designed to deliver concrete tools and results for the sector. A major focus is on implementing the Accord and Codes of Good Practice.

- *Advance the sector's interests on national issues*

The Forum is taking a leadership role in promoting the sector's interests on three issues of national importance, two of which relate directly to the Accord and Codes of Good Practice on Funding and Policy Dialogue. One of these areas is voluntary sector financing, including efforts to change the funding regime and the funding climate in which sector organizations operate. Another priority is to gain recognition of advocacy as a fundamental role for the sector by ensuring that charitable organizations can participate fully in developing national policies. The Forum is also committed to exploring the problems of voluntary sector organizations related to liability and risk management.

- *Build and engage the voluntary sector*

Part of the Forum's mandate is to reach out and engage the voluntary sector's diverse membership. With this in mind, the Forum participates in a number of activities, such as expanding its network of contacts, and developing and delivering information on its activities through a variety of media – including its Web site and an electronic newsletter.

Forum Members

The Forum's 20 members reflect the diversity, knowledge and interests of Canada's voluntary sector.

- Monica Patten (chair), Community Foundations of Canada
- Yvonne Atwell, Atlantic Centre of Excellence for Women's Health
- Darlene Bessey, YWCA of Canada
- Lani Cooke, Consultant
- Marlene Deboisbriand, Volunteer Canada
- Gordon Floyd, Children's Mental Health Ontario
- Bonnie Greene, United Church of Canada
- Al Hatton, United Way of Canada
- Damon Johnston, Centre for Aboriginal Human Resource Development Inc.
- Marcel Lauzière, Canadian Council on Social Development
- Esperanza Moreno, Canadian Council for International Cooperation
- Marjorie Northrup, Volunteer Bureau of Montreal
- Liz O'Neill, Big Sisters and Big Brothers Society
- Penelope Rowe, Community Services Council Newfoundland and Labrador
- Georgina Steinsky Schwartz, Canadian Centre for Philanthropy
- Shauna Sylvester, IMPACS
- Charlotte Thibault, Fondation canadienne des Femmes, Montréal
- Michael Weil, YMCA Canada
- Sylvan Williams, Consultant
- Megan Davis Williams, Ottawa Art Gallery

B. Progress on Priorities

Last year was one of progress in the face of challenge, as federal government responsibility for voluntary sector affairs was transferred from Canadian Heritage to Social Development Canada. Working both with its Government partners and separately, the Forum achieved notable progress in the areas identified as priorities for the voluntary sector in the previous year's report to Canadians. These achievements are described briefly below. As well, a series of sidebars ("Voluntary Sector Voices") showcase some of the comments and suggestions made by voluntary sector organizations responding to a survey conducted in the summer of 2004.

1. CONTINUE A COMMITMENT TO A JOINT PARTNERSHIP BETWEEN THE VOLUNTARY SECTOR AND THE GOVERNMENT OF CANADA.

As outlined in the Accord, the Government of Canada and the voluntary sector have agreed to: act in a manner consistent with the values and principles in the Accord; develop mechanisms and processes required to put the Accord into action; work together as appropriate to achieve shared goals and objectives; and promote awareness and understanding of the contributions that each makes to Canadian society.

To achieve this commitment, the voluntary sector undertook a variety of activities over the past year.

■ *Building the relationship*

As in previous years, one of the Forum's main priorities has been to sustain and enhance its relationship with the federal government. To this end, the Forum brought together representatives from 25 national organizations and government representatives in May 2004 for a workshop entitled *Building the Relationship Between the Government of Canada and the Voluntary Sector*. Participants worked together to identify the qualities of an ideal relationship, as well as challenges and solutions related to the identified themes of "Building/Maintaining a Strong Relationship that Works" and "Implementing the Good Practices – Making Them Real".

VOLUNTARY SECTOR VOICES

"There is certainly an awareness of the Accord and what it means and an increased recognition that we can best deliver programs and services to the stewardship community if we work in partnership."
(Wildlife Habitat Canada)

"Government consults with us on issues impacting young people and policies and practices that may be helpful. Government employees volunteer with our organization." (Big Brothers Big Sisters – Edmonton and area)

(Voluntary Sector Survey, 2004)

Both sectors recognize the importance of on-going high-level dialogue to their relationship. However, last year was one of transition in the federal government as a number of Cabinet Ministers changed portfolios and responsibility for voluntary sector affairs moved from Canadian Heritage to Social Development Canada. As a result, the meeting between the Ministerial Consultative Committee and voluntary sector leaders did not take place. The Forum will work to ensure that a meeting takes place in the coming year.

■ *Collaborative action on training*

One of the biggest challenges facing the voluntary sector is to encourage the sector's 160,000 organizations to use the Accord and Codes. Last year, Forum staff worked in partnership with the federal government on a series of training sessions designed to equip local trainers with the skills and resources they need to take the message out more broadly to organizations across the country. The sessions built on many of the tools the two sectors had developed the previous year – including a plain-language workbook to help both sectors apply the Codes of Good Practice in their daily work, and "train-the-trainer" modules for implementing the Codes.

VOLUNTARY SECTOR VOICES:

“Because of cutbacks, some of the time and resources previously freely given have become scarce. However, we continue to maintain an excellent level of information sharing and inter-participation.” (Tsolum River Restoration Society)

“We’ve made copies available in our resource centre and given presentations to staff/board on how the VSI relates to our projects.” (Wildlife Habitat Canada)

“I think it’s more important to have the agreements in the Codes understood and practiced by federal government staff at all levels.” (Family Service Canada)

“We need to have proactive outreach through umbrella groups.” (Ontario Association of Youth Employment Centres)

(Voluntary Sector Survey 2004)

Based on findings from the September 2003 pilot training sessions in New Brunswick, the two sectors re-designed the training methodology, adapting it into nine different models to meet the varying needs of a range of trainers and audiences. The new modules were tested in English and French sessions held in Calgary, Edmonton and Ottawa, where they were very well received. Sector trainers are now well established in New Brunswick, Alberta, the Northwest Territories and Ontario.

■ Promoting awareness and good practices

Over the past year, the Forum moved forward on its awareness-building strategy, working to get the word out about the Accord and Codes to the thousands of voluntary sector organizations across the country.

Speaking engagements are one of the ways the Forum gets information out to its diverse membership. Last year, Forum members and staff took part in more than 50 workshops and conferences, reaching almost 1,000 people at the national, provincial/territorial, local and international levels. This includes a meeting in July 2004 with an Estonian delegation to review the implementation process for the Accord and Codes.

The Forum also promotes awareness by distributing copies of the Accord and Codes and other information materials to sector organizations. From October 2003 to September 2004, the Forum distributed:

- 1,453 kits containing copies of the Accord and Codes of Good Practice
- 2,102 copies of the Accord
- 2,286 copies of the Code of Good Practice on Policy Dialogue
- 1,512 copies of the Code of Good Practice on Funding
- 75 copies of a video providing context and background about the Accord and Codes
- 204 copies of a CD-ROM containing the Accord, Codes and related materials

In March 2004, the voluntary sector also released a two-page handout containing tips for organizations on how to use the Accord and Codes.

With the goal of putting the Accord and Codes to work in federal government and voluntary sector organizations, the Forum identifies and promotes examples of good practices. The *Accord and Codes Knowledgebase of Effective Practices* is a growing online collection of case studies that demonstrates how some Canadian voluntary sector organizations have been successful in making the Accord and Codes of Good Practice part of the way they do business with the Government of Canada. A source of practical and creative examples, the Knowledgebase illustrates how voluntary sector organizations are using the Accord and Codes, as well as the results different strategies have achieved see www.vsf-fsbc.ca

■ Progress on dispute resolution

One of the Forum’s priorities is developing options for a collaborative mechanism to resolve disputes related to the Accord and Codes of Good Practice. Last year, the Forum commissioned a discussion paper describing some of these mechanisms – including informal negotiation, mediation, arbitration and the court system – and providing examples of international and Canadian processes in action. The paper is being distributed widely within the federal government and the voluntary sector. Plans include working with specific departments and their sector colleagues in the coming year.

■ Framing liability issues

Over the past few years, many organizations have seen their premiums rise dramatically and their programming restricted by insurance exclusions, and many are having difficulty renewing their policies. Working in cooperation with the Federation of Voluntary Sector Networks and sector organizations across the country, the Forum recently released a report entitled *Liability Insurance the Voluntary Sector – Framing the Issues*.

The report is based on the results of seven regional sessions to determine the impact of insurance concerns on voluntary sector organizations. Held across Canada between December 2003 and June 2004, the sessions brought together approximately 120 representatives from a broad range of voluntary sector organizations to discuss issues such as: the challenges in obtaining and renewing liability insurance; the impact of risk management programs on affordable insurance; whether or not and how operations would be affected if the status quo continues; and the impact on recruiting and retaining volunteers, including those serving on Boards of Directors.

The Forum plans to build on the research and will undertake some related activities, including: developing policy options and a strategy to address issues with the insurance industry, and provincial and federal levels of government; and establishing an advisory group of experts with membership from the voluntary sector, the insurance industry, the legal profession and governments. It will also add liability and risk management resources and links to the Voluntary Sector Forum Web site.

■ People first

The Voluntary Sector Human Resource Council Feasibility Study is a joint effort of Community Foundations of Canada and United Way of Canada – Centraide Canada. Its aim is to determine whether a Voluntary Sector Human Resources Council is feasible and, if so, how it can best work to strengthen the sector. One of the inputs to the study is the results from a series of 45 discussion groups held in 2004 with voluntary sector organizations across the country. Virtually all discussion group participants endorsed the concept of a Human Resources Council. They also offered some practical suggestions about how the Council might work, as well as personal insights about issues that are “front and centre” for the myriad organizations that make up the voluntary sector (www.HRVS.ca).

2 ENCOURAGE GOVERNMENT ACTION ON ADVOCACY.

The Accord recognizes the importance of advocacy in civil society and the key role of the voluntary sector. Looking back over the past year, the two sectors made significant advances in this area. In September 2003, the Canada Revenue Agency (CRA) released new guidelines that more clearly identify what constitutes political activity for charities. These guidelines were revised and clarified in consultation with the voluntary sector.

http://www.cra-arc.gc.ca/tax/charities/policy/cps/cps-022-e.html#P61_2863

ABOUT CANADA'S CHARITIES

- About 80,000 charities are registered under the *Income Tax Act*. (Source: Canada Revenue Agency)
- In 2003, nonprofit and voluntary organizations reported revenues of \$75 billion (excluding hospitals, colleges and universities.) (Source: NSNVO)

3 CONTINUE EFFORTS TO ENCOURAGE GOVERNMENT ACTION ON FINANCING.

Part of the Forum's work is to ensure that the Government of Canada follows through on its commitment to implement the Accord and Code of Good Practice on Funding in a meaningful and sustained way. In addition, the Forum is committed to encouraging federal government action to enhance the financial capacity of the sector.

With a mandate from the sector to make tangible improvements in the area of financing, the Forum has begun collaborating with national and regional organizations, networks and coalitions to establish six provincial/territorial Finance Action Groups. The Groups will work to improve the way the sector is funded by:

- developing funding strategies
- making accountability measures more effective and relevant
- coordinating with a cross section of the non-profit sector
- developing an Accord and Funding Code for the sector and provincial/territorial governments
- creating new funding mechanisms and models

Once the Groups are up and running, the Forum will offer further coordination and support, ensuring that resources and tools developed under the VSI – including the Accord and Funding Code – are made available to the Groups to adapt and promote widely. The Forum will also provide overall coordination support, create a Web site and promote the Groups in the Forum newsletter.

VOLUNTARY SECTOR VOICES:

"We have incorporated strict due diligence in all our financial dealings." (National Council of Trinidad and Tobago Organizations in Canada)

"... requires a lot more paper work and reporting as to how we use our funding. This is good for accountability but we spend twice as much time filling our reports. We would just like to see the process more simplified and streamlined."
(Canadian Parents for French New Brunswick Branch)

(Voluntary Sector Survey 2004)

Over the longer term, it is expected that the sector in each of the six provinces and territories will drive and maintain its own Group. This will help to ensure that the unique elements, culture and needs of sector organizations across the country are considered in shaping future initiatives and products.

Sector organizations are also anticipating their involvement in a new Task Force on Community Investments, which will make recommendations to federal government departments and agencies on innovative funding approaches for voluntary sector programs. Building on the principles and goals set out in the Code of Good Practice on Funding, the suggested funding models will address the sector's concerns with short-term funding and accountability requirements.

4 ESTABLISH MONITORING AND EVALUATION MECHANISMS FOR VOLUNTARY SECTOR AWARENESS AND USE OF THE ACCORD AND CODES.

The Accord identifies a number of measures that are needed to implement the Accord and Codes of Good Practice, including the development of “processes for monitoring the Accord, reporting to Canadians on the status of the relationship and the results that have been achieved ... “ It also includes a commitment from the voluntary sector to “serve as a means for the voices and views of all parts of the voluntary sector to be represented to and heard by the Government of Canada, and ensuring that the full depth and diversity of the sector is reached and engaged.”

SURVEY LIMITATIONS:

It must be cautioned that the results of the survey are not statistically representative of Canada’s voluntary sector. While the sample is likely *reflective* of the sector, the findings presented here are limited to the comments provided by the approximately 160 individuals/organizations that took the time to respond to the survey.

Additional work is required on this front to ensure that input is captured from all parts of the voluntary sector.

■ *About the voluntary sector survey*

As part of its commitment to monitor progress in the voluntary sector, the Voluntary Sector Forum coordinated the distribution and analysis of an on-line survey to voluntary sector organizations across the country. The survey was distributed via the Voluntary Sector Forum Web site www.vsf-fsbc.ca and the Voluntary Sector Initiative Web site www.vsi-isbc.ca. Links and reminders also appeared on the Web sites of a number of affiliated organizations, such as VolunteersOnLine and Charity Village.

Designed to gather specific examples of how the Accord and Codes are being put into practice “in the real world,” the survey targeted organizations that have an on-going

relationship with one or more federal departments or agencies. That relationship might include, for example, attending consultations, delivering services on behalf of, or receiving funding from, the federal government or a regulatory relationship with the Canada Revenue Agency.

While the survey results cannot be generalized to the voluntary sector as a whole, they represent the voices of those wishing to be heard. Many organizations offered suggestions and examples of how to increase the power of the Accord and Codes in their day-to-day relationships with the federal government. This information – together with data from other sources – has gone forward for discussions with federal government partners on where progress has been achieved and where efforts should be directed in the future.

Who responded?

A total of 162 organizations responded – 135 in English and 27 in French. Following is an overview of the organizations taking part in the survey.

- Almost half operate at the local level, slightly more than a quarter at the national level, about one fifth at the provincial level, while the smallest proportion (7%) operate internationally.
- The largest proportion of responding organizations are in the following sectors: health; social development and community/economic development (17%).
- One third of organizations have an annual budget between \$100,000 and \$500,000; a slightly smaller proportion have budgets between \$1 million and \$5 million; about one sixth of organizations have budgets of less than \$50,000 and one tenth have an annual budget of more than \$5 million.
- More than two fifths of respondents are based in Ontario, while 15% are from Quebec and 14% are from British Columbia.

In addition to information about the organizations themselves, the questionnaire explored respondents' views and perceptions in the following key areas: relationship with the federal government; level of awareness about the Accord and the Codes; use of the Accord and Codes; and priorities for the future. Highlights of the survey findings in the first three areas are presented below, while input on future activities is highlighted in the Section C of this paper.

Relationship with the federal government

- Almost three quarters of respondents reported that they receive funding from the federal government, half participate in the policy process and slightly more than two fifths deliver programs and services on behalf of the government.
- Many respondents reported dealings with more than one government department. The most frequently mentioned (i.e., by more than one quarter of respondents) were Human Resources and Skills Development Canada, and Health Canada. One fifth of respondents deal with Heritage Canada, while more than one in ten reported relationships with Industry Canada, and Canada Customs and Revenue Agency.
- More than half of English respondents rated their relationship with the federal government as “7” out of “10” or higher, with two-fifths rating the relationship below “5.” For French-speaking respondents, satisfaction levels were slightly lower – two fifths rated the relationship as “7” or higher, while two-fifths scored the relationship lower than “5” out of “10.”
- Criticism of the relationship tended to focus on funding practices, specifically the timing and allocation of funding and overall reductions in funding. Where the relationship was characterized more positively, respondents commented on relationships with individual staff members.

Perceived change in the relationship

- Almost two thirds of respondents indicated “no change” in the relationship over the past year or so, while slightly more than two fifths noted deterioration and 15% said the relationship had improved.
- Negative assessments of the changes focused on “bureaucratic” processes related to funding and protocol – these were described as burdensome and restrictive to the organization. On the positive side, respondents spoke about good relationships between federal government staff and organization personnel, which were characterized as respectful, honest and open, with prompt response to questions, support during application processes and generous sharing of information.

Awareness levels

- Just over half of respondents rated their awareness of the Accord as “high” or “medium.”
- A slightly smaller proportion rated their awareness of the Code of Good Practice on Funding as either “high” or “medium,” while the smallest proportion gave those awareness ratings to the Code of Good Practice on Policy Dialogue.
- Major sources of information about the Accord and Codes are the VSI Web site, the VSF Web site and the VSF Newsletter. Other key sources include national/provincial/local organizations, the Voluntary Sector Task Force/Voluntary Sector Affairs Directorate, and training/awareness sessions.
- Suggestions for increasing awareness about the Accord and Codes focused on activities such as: targeting the federal government to increase awareness and compel their use of the guidelines; sponsoring local, community-based workshops and information sessions; and targeting umbrella groups such as the United Way.

Use of the Accord and Codes

- Organizations reported that they “occasionally” or “never” refer to the Accord and Codes in their dealings with the federal government, nor do their government contacts.
- Asked what their organization had done in the past year that exemplifies the practices outlined in the Codes of Good Practice, respondents said they had: used the Codes’ underlying philosophy and values in dealing with clients, and writing reports and proposals; applied the Codes to relationships with federal government colleagues or to internal protocols; made policy development a priority; attempted to diversify funding sources; and made community partnerships and stewardships a priority in their organization’s mandate.
- For the most part, organizations reported little or no success in using the Accord and Codes, sometimes due to a lack of information or because they have not yet tried to put them into action. On the positive side, one organization is using the Codes as a starting place for building and enhancing their relationship with the Government, while another is investigating the development of similar guidelines with the provincial government.

VOLUNTARY SECTOR VOICES:

“We have been very involved in policy work on several levels. For example, we held a Policy Forum with over 80 people and discussed six major policy areas.” (Coastal Communities Network)

“The Accord and Codes have provided a good starting point to build/enhance the relationship.” (Volunteer Hamilton)

“It has helped to defend our continued involvement in policy dialogue even though we are a registered charity.” (National Anti-Poverty Organization)

(Voluntary Sector Survey 2004)

C. Looking Ahead

Over the next year, the Voluntary Sector Forum will work closely with members of the sector and representatives of the federal government to advance its priorities, including implementation of the Accord and Codes of Good Practice. While some progress has been achieved to date, a great deal of work is needed to increase awareness and encourage voluntary sector organizations and government departments to use the Accord and Codes in building strong and sustainable relationships.

Following are the priorities established by the Voluntary Sector Forum for the period of October 2004 to September 2005. Based on feedback from the survey of voluntary sector organizations as well as ongoing input from the sector, these priorities will guide the Forum's work in this area over the coming months.

- Maintain a cross-government “horizontal” approach to voluntary sector issues within the federal government and look for opportunities to work with the Voluntary Sector Affairs Division of Social Development Canada on horizontal initiatives.
 - Integrate use of the Accord and Codes of Good Practice into the way the Government of Canada and the voluntary sector “do business” with one another.
 - Continue to raise awareness and understanding of the Accord and Codes of Good Practice among organizations, focusing particularly on those that have an existing relationship with the federal government.
 - Proactively encourage federal government departments and relevant voluntary sector organizations to work together to implement the Accord and Codes.
 - Work with national organizations to disseminate information on the Accord and Codes to their members.
 - Continue to collect and disseminate information about good practices in order to provide both sector organizations and government departments with concrete examples to on how to implement the Accord and Codes.
 - Help to institutionalize the Code of Good Practice on Funding by supporting Social Development Canada's Funding Task Force.
- Help to institutionalize the Code of Good Practice on Policy Dialogue by acting on the lessons learned through the SIDPD projects and other policy development work.
 - Work with the consultation units in federal departments to implement the Code of Good Practice on Policy Dialogue.
 - Work with key departments and their sector clients to develop and implement a dispute resolution mechanism.
 - Establish a mechanism for meeting with federal ministers on a regular basis.
 - Investigate ways of working with provincial/territorial governments to implement the principles and practices identified in the Accord and Codes.

VOLUNTARY SECTOR VOICES:

“Give concise guidance, not another zillion-page handout that volunteers have little time to digest.”
(Cranbrook and District Community Foundation)

“Less bureaucracy – improved communication and greater openness and consideration for professionals and rank and file organizations and people.”
(Jean Baillargeon, Avocat, Lawyer and Barrister)

“Provide opportunities for young organizations with very small budgets to receive tangible support to enable them to get more involved.” (The Canadian Alliance for Animal-Assisted Services)

“Secure financial support for promotion and implementation of the Accord within the sector. Begin developing some guidelines for holding Government and sector organizations accountable.”
(Canadian AIDS Society)

(Voluntary Sector Survey 2004)