

## Charity Non-charity Partnerships Tip Sheet

### 1. What is a charity non-charity partnership?

When a organization that is a registered charity with the Canadian Revenue Agency (CRA) partners with an organization that is not a registered charity for a project or program that helps to achieve their charitable mandate.

### 2. When can a charity partner with a non-charity?

- When the activities of the program or project of the partnership align with the charitable mandate of the charity
- When both partners trust each other to follow through with commitments made to the partnership
- When there are processes in place to ensure that the charity is able to maintain direction and control over the funds as required by CRA

### 3. How does a charity demonstrate direction and control?

- Create a mutually agreed upon description of the project including: the goals, activities, geographic region, timeline, benefits, appropriate uses of funding, reporting and for the project
- Create a written agreement with the non charity and implement its terms
- Monitor and supervise the activity
- Segregate funds and maintain separate books and records
- Make periodic transfers of resources based on demonstrated performance

### 4. What tools can be used to monitor and supervise the project?

- Copies of written agreements
- Progress reports
- Deeds
- Financial statements
- Invoices and original receipts
- Photos
- Minutes of meetings
- Telephone and email communications
- Any other material that reflects the charity's ongoing participation and how the charity's funds are being used

### 5. Where do I find more information on CRA guidelines?

Using and intermediary to carry out a charity's activities within Canada guidance CG-004 <http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/ntrmdry-eng.html>