



# Leveraging Funds through Partnerships

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# What?

By partnering to access charitable dollars, charities and non-charities can do **great community work** and can **strengthen** their own capacities.

# But

With charitable dollars come rules.

Put most simply:

- Charities are not allowed to just give money to non-charities.
- Charities always have to be able to show government that their money was spent on charitable activities.

It's possible to follow the rules. That's what this presentation will discuss.

# Pause for a second ...

- There isn't a simple accurate agreed-upon name for this topic
  - Government talks of charities "using an intermediary" but that's a bit cold
  - People still use phrases that are now seen to be inaccurate or misleading (fiscal sponsorship, flowthrough)
  - We say: "partnership between charity & non-charity" or "charitable partnership" and we're hoping it will catch on

# Partnership between a Charity & Non-Charity

The Federal Government (CRA) requires partners to share a charitable mandate/purpose

- Specifically: The activity of the non-charity must align with the activities of the charity
- Community experience suggests you also need:
  - Trust
  - Capacity
  - Resources (funding, volunteers, etc.)
  - Financial accountability
  - Willingness to openly share information with each other
  - Positive reputations for your work in the community

# Make the Partnership Fit

## **Some partnerships are very simple**

Example: A small time-limited project

- The charity and non-charity apply for a grant together
- The non-charity carries out the activities
- The charity pays agreed-upon expenses, either up front or through re-imbusement
- The non-charity and charity submit the final report to the funder together
- The partnership ends (or is renewed)

# Make the Partnership Fit

## **Some partnerships are more complex**

Example: A project with paid staff

- The charity hires the project staff directly or contracts the non-charity to hire project staff
- The project staff carries out the project activities under the guidance of both the charity and non-charity
- The non-charity and charity submit the final report to the funder together
- Partnership ends (or is renewed)

# Equal partners?

- CRA requires the charity to remain responsible to the funder and to CRA for the funds and how they are spent
- Community experience suggests partners should:
  - Talk openly about processes and dynamics for:
    - Deciding major things (funding, spending, risk, advocacy)
    - Representing the project to the public
    - Resolving conflict
    - Supervising and supporting project staff



# Get it in Writing

CRA Requires a written document, what they call an Agency Agreement

Their guidelines:

- <http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/ntrmdry-eng.html#AppndxC>

# Really?

- Yes, really
- Susan & Julie are part of a community working group that will soon be publishing some resources to help groups fulfill the rules and do good work
- The resources will be shared through the Federation of Calgary Communities, Ethnocultural Council of Calgary, The Calgary Foundation, The United Way, Momentum, CCCSA, and more.
- Stay tuned!