Better Outcomes, Stronger Communities

Enhancing the BC Government Non Profit Relationship

DRAFT DISCUSSION PAPER – OCTOBER 2008
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EXECUTIVE SUMMARY

Better Outcomes, Stronger Communities

The provincial government and the non profit sector successfully work together to meet the needs and interests of the people and communities of British Columbia – from increasing the number of British Columbians who are physically active to developing inclusive employment programs to providing supportive housing for vulnerable citizens. While the priorities and objectives of the relationship change depending on the needs, issues, opportunities and challenges at hand, what remains constant is the two sectors’ reliance on one another to best meet the needs of citizens and communities across the province.

This paper is the product of the year-long Government/Non Profit Initiative (GNPI). It examines how the two sectors can work together to create the best possible outcomes for individuals and to build stronger communities for all of us. The GNPI was born out of the shared conviction of government and the non profit sector that the two entities – collectively and through individual departments and organizations – can be partners in improving our collective well-being. The two sectors can achieve more by working together than either can achieve alone.

The Non Profit Sector

The non profit sector contributes an enormous amount to public life in British Columbia. The sector has a substantial economic presence, contributing 6.9 per cent of the province’s GDP and employing 7 per cent of the provincial workforce. The non profit sector employs more than 147,000 people (23 per cent of whom work in hospitals, colleges and universities) – a workforce larger than the total employment in the forestry, fishing, mining and oil and gas industries combined.

The non profit sector reports around $3 billion a year in revenue from provincial government sources, accounting for one-third of the sector’s total revenues. The sector contributes an additional $6 billion into the provincial economy, more than agriculture, forestry, fishing and hunting and on par with mining, oil and gas. Not included in this equation is the monetary value of over 114 million hours in volunteer time mobilized by the sector – the equivalent of 69,000 full time employees.

In addition to its economic contribution, the non profit sector plays an essential role in creating engaged and vibrant communities. Most of the 22,000 non profit societies in BC serve local and/or regional needs, operating at a grass roots level where they are able to galvanize communities through philanthropy and volunteerism. This majority group (82%) is
in general smaller (average revenues are less than $250,000 annually) yet they account for 65 per cent of the province’s volunteers. Concurrently, a small group of larger agencies (18%) provide the community with needed large-scale capacity. These larger agencies account for 92 per cent of sector revenue, 90 per cent of paid staff and 35 per cent of volunteers.

From drug counselling to giving employment advice, from providing housing to childcare, the non profit sector delivers a range of public services to meet British Columbians health and social service needs. Their ability to reach out to children, families, youth, seniors, the homeless, the disabled and others among society’s most vulnerable is one of their strengths, putting the needs of individuals at the heart of things with a citizen-centered focus. The sector has a unique ability to mobilize voluntary contributions of time and money and to provide leadership at the community level, leveraging trust and credibility to deliver programs that are tailored to the people and communities that need them.

The non profit sector has an important and growing role both in the design and delivery of public services, and in the ways in which they are improved and held to account. A viable non profit sector is critical to the province’s ability to deliver support programs and meet the significant social challenges affecting seniors, people with disabilities, children and families at risk, the homeless, and others.

The non profit sector also holds promise to support Aboriginal peoples in the context of the New Relationship and the Transformative Change Accord. The sector’s emphasis on communities and ‘people helping people’ aligns with traditional Aboriginal values. Non profits already provide considerable support to Aboriginal people who are over-represented in virtually every dimension of the social and health challenges faced by British Columbians. The GNPI recognizes this synergy, and has benefited from the strong contribution of Aboriginal members at all levels of the initiative. The Initiative identifies a significant opportunity to extend its work into the Aboriginal non profit context, and recognizes that the development of detailed strategies to accomplish this is an important element for follow up.

Nearly half of government’s total expenditures are targeted toward health, social services and housing. In 2007-08, government ministries and agencies invested more than $14 billion in health and $3.6 billion in social services and housing programs.

At the same time, eight government ministries encompassing sixteen core business areas and dozens of programs transferred $1.7 billion into BC communities via discretionary grants and payments under contract or agreement. This figure does not include transfers made from Health Authorities, BC Housing Commission and Community Living BC.

The Provincial Government

One of government’s core responsibilities is to ensure that this investment of public funds is managed accountably and produces desired results.

Government relies extensively on community-based, arms-length agencies to deliver health and social services. In a survey of government program areas, the proportion of service delivery contract funding awarded to non profit agencies ranged from 85 percent at the BC Housing Corporation to 75 per cent at the Ministry of Children and Family Development and 34 per cent in employment programs at the former Ministry of Employment and Income Assistance.

The quality, continuity and effectiveness of services funded by the provincial government depends on the viability of the government’s community-based partners. Government’s
objectives respecting citizen-centered services, systems of support for seniors and people with disabilities, engaged and vibrant communities and healthy populations all benefit from the ability of its community-based partners to engage people and communities in self-initiated solutions.

Strategic government investment in the sector can help support stability amongst key non profit sector partners, enable joint capacity to manage accountability and enhance mutual ability to deliver results.

Common Challenges

As has been the experience in other developed countries, reduced funding from all levels of government, a trend toward project-based and shorter-term funding, difficulty in recruiting and retaining staff and volunteers, increasing service demands, and variable capacity in terms of expertise and infrastructure have been causes for concern regarding the sustainability of BC’s non profit sector organizations.

A shrinking and changing labour market, growing population demands and the need for a varied tool-kit to address increasingly complex socio-economic issues mean that no single sector alone can meet public needs and expectations. Government, the private sector and the non profit sector all contribute in unique and complementary ways to the well-being of British Columbians. At this early stage, the GNPI focuses on the relationship between government and the non profit sector, although there is an understanding that opportunities to broaden the ‘conversation’ to include the private sector are a matter for future discourse.

The Government Non Profit Initiative

The GNPI begins from the premise that, on many fronts, neither government nor the non profit sector can be successful without the other. Building from that premise, the initiative recognizes that our joint success depends on being more strategic about the way we select and invest in priorities, make the best use of our respective capabilities and hold ourselves accountable for results.

Based on three themes identified for further development at a May 30, 2007 Roundtable, Strengthening the Government/Non Profit Relationship, the Government/Non Profit
The Government Not Profit Initiative struck a joint Steering Committee and three joint Task Forces to build recommendations on:

- **Working Together**: How we best structure the relationship.

- **Procurement, Funding and Performance Measurement**: How we manage our business relationship efficiently, effectively and accountably.

- **Capacity Building**: How we build and sustain the necessary human, financial and capital resources, both in government and the non profit sector.

Based on the work of the GNPI Task Forces and Steering Committee in the latter half of 2007 and the first half of 2008, this report proposes a strategic framework for the ongoing relationship. A recommended mission and vision provide a shared sense of the results we aim to achieve and the kind of relationship needed to support these aims. Defined roles and recommended principles frame the activities we do together and how we will conduct ourselves.

Finally, the initiative recommends goals and strategies that build on the complementary strengths of the two partners, enhance the resiliency of the relationship and enhance the way we recognize our respective needs in order to sharpen mutual accountability. The overarching aim is to create the best possible outcomes for BC’s citizens and communities.

**Strategic Framework**

The GNPI’s proposed mission establishes an outcome focus for the government-non profit relationship, while the proposed vision describes how the relationship must work in order to achieve results.

The *mission* states that government and the non profit sector work together to:

- Ensure children, families, youth, seniors, the homeless, the disabled and all other British Columbians are able to live to their fullest potential;

- Work actively with Aboriginal partners and other representatives of British Columbia’s diverse communities; and

- Build vibrant, engaged and supportive communities British Columbians want and deserve.

The GNPI *vision* recognizes the inherent strength in the government-non profit alliance and its ability to build an even more positive and proactive working relationship where government and the non profit sector:

- Work intentionally and purposefully together to create better communities and better outcomes for British Columbians;

- Recognize the unique, complementary and essential strengths of each sector while acknowledging differing mandates and accountabilities;

- Make the best use of combined strengths to address the needs and challenges facing British Columbia’s citizens and communities.

The non profit sector and government achieve this mission and vision through three separate but overlapping core roles:

- Service delivery;

- Engagement and consultation; and

- Partnership.

In practical terms, joint work entails a blend of these three roles and the blend will differ depending on the need being addressed. The two sectors will work together at a number of levels ranging from high level sector-to-sector strategy
such as the GNPI itself to program-oriented work between a government department and an individual service delivery agency. The diagram reflects the complexity of this relationship and points to the GNPI’s priority to increase strategic engagement and sector-to-sector collaboration.

Recognizing the complexity and diversity in the relationship, the GNPI recommends a number of overarching principles – the foremost of which is to make the fullest use of consultation and partnership to arrive at the most effective approaches for the partners and for British Columbians.

Figure: Government and the non profit sector interact at different levels ranging from broad sector-to-sector strategy and consultation on systemic issues, to the discussion and partnership that goes into the delivery of specific services at the program level. The GNPI aims to increase the degree of consultation and partnership at all levels, and to build better capacity to engage in sector-to-sector and cross-cutting policy work.
Goals and Strategies

GOAL 1: Government and the non profit sector work proactively and intentionally in partnership to identify and act on mutual priorities.

Strategies:
A. Establish a framework for the relationship incorporating a mutual mission, vision and joint principles.
B. Build formal structures representing the non profit sector and government to give voice to their respective needs and interests and establish forums in which the sectors commit to come together.
C. Develop joint priorities to realize the mission and vision.
D. Create a learning partnership that supports the sharing of best practices and research in government/non profit collaboration.

GOAL 2: Government and the non profit sector invest strategically to promote and support stable, accountable and effective organizational capacity to deliver on mutual priorities.

Strategies:
A. Establish performance based multi-year contracting for long term needs.
B. Adopt cost-recovery models that promote stability and continuity of services by acknowledging the full range of administrative and overhead costs.
C. Determine and implement best practices in sustainable funding models that do not depend solely on government funding and are scalable according to the size, scope and needs of the organization.
D. Implement strategic use of grants and contracts to support joint priorities and build the human capacity and infrastructure to manage accountably and effectively.
E. Establish leadership exchange and training to promote knowledge exchange and inform members of both sectors how best to leverage the value of the government/non profit relationship.

GOAL 3: Government and the non profit sector enhance efficiency and effectiveness through accountability.

Strategies:
A. Reduce unnecessary process and duplication, develop standard approaches and templates and use information technology in procurement to reduce the administrative burden on all parties while continuing to meet due diligence and accountability requirements.
B. Develop a model that defines:
1. The unique ‘value add’ provided by the non profit sector;
2. How it can be recognized in procurement and measured in accountability processes; and
3. How to determine if and when this is the best option to proceed.
C. Focus performance requirements on outcomes and holistic goals which reduce the number and complexity of measures to track while ensuring that core accountabilities are met.
D. Establish training and knowledge exchange programs to inform members of both sectors about best practices in funding and procurement.
GOAL 4: Government and the non profit sector work across traditional silos to coordinate program efforts and more effectively address the multi-dimensional needs of people and communities.

Strategies:

A. Identify and replicate where appropriate current strengths and successes in the delivery of citizen centered, horizontally administered programs and services.

B. Actively assess new and existing policies, programs and services with respect to their ability to meet the needs of the whole individual and address the multiple determinants of complex social problems.

GOAL 5: Government and the non profit sector modify and/or expand engagement where appropriate and effective to meet the diverse community and cultural needs of British Columbians.

Strategies:

A. Fully engage the Aboriginal community in all areas of collaboration within the government/ non profit relationship to explore its applicability and potential for implementation to help address Aboriginal community needs.

B. Enhance regional and small community non profit sector engagement in the GNPI to better canvass this point of view and ensure strategic support for their role in promoting volunteerism, community based fund raising and self-initiated solutions to community challenges.

C. Engage the private sector in this dialogue.

Next Steps

This paper reflects the work and processes of the GNPI Steering Committee and Task Forces to date. This version of the paper incorporates input garnered from the July 24, 2008 Plenary Session, attended by the Steering Committee, members of the three Task Forces, and the staff, policy and research teams.

This work will be of key interest to those who work directly in government departments and non profit agencies that create and deliver policies, programs and services, as well as to the citizens of BC. A consultation process will solicit further input during October 2008 which will, no doubt, advance thinking and provide new perspectives, shaping the final Discussion Paper along with its recommendations. That final paper, along with a plan for action, will be presented for endorsement at the GNPI Summit on Government/Non Profit Relations, to be held in Vancouver on November 19, 2008. As this document is shared with a broader audience, we ask readers to consider it a “work in progress”.

In order to provide initial scope and manageability, the work of the GNPI has primarily involved participants from the social services and health sub-sectors. This means that, by design, important opportunities have been left out of scope. The opportunities and challenges identified by the GNPI are familiar within other sub-sectors (such as the arts, sports, environment, etc.). It will be important to explore how the GNPI’s principles and recommendations will have application in those contexts. Once the results of the GNPI to date are endorsed, these will require action.

In addition, there will be a need to engage the private sector in the strategic conversation. Finally, the GNPI identifies the opportunity, but not yet specific strategies, to expand its work into the Aboriginal context.

While a year in development, the work presented here is a starting point. The GNPI identifies the
need, willingness and opportunity, and creates the momentum necessary to carry forward with concrete action to implement the goals and strategies identified in this paper.

There is a great deal of work ahead to achieve the vision laid out by the GNPI. While the aims of government and the non profit sector will not always perfectly align, at the core of the relationship is a shared concern for improving the well-being of individuals and communities in BC. By bringing together BC’s government and its non profit sector through this Initiative, we can maximize our broader collective ability to solve the challenges facing our communities and create better outcomes for all British Columbians.
Acknowledgements

To set the course for a new working relationship between government and the non profit sector, we need to understand the current state of our relationship, how external factors will have an effect on it in the future, and the options available to move the relationship forward. This paper sets that stage and is meant to spark discussion at the GNPI Summit on Government/Non Profit Relations on November 19, 2008.

As the co-chairs of the Government/Non Profit Initiative, we would like to thank all those individuals whose contributions made this paper possible. The Initiative and this report are guided by the able hands of the GNPI’s Facilitators – Mark Medgyesi and Barbara Grantham. Project Management support has been provided by Ruth Paul and Dean Gronsdahl.

Additional thanks go out to the GNPI’s Policy Secretariat and Task Force co-chairs for their input and support – the Working Together Task Force Co-Chairs Heather Dickson and Jennifer Charlesworth and Policy Advisor Paula Carr; the Procurement, Funding and Performance Measurement Task Force Co-Chairs Sarf Ahmed and Tung Chan and Policy Advisor Leah Glick-Stal; and the Capacity Building Task Force Co-Chairs Derek Sturko and Teri Nicholas and Policy Advisor Kathleen Speakman. They have been guided by the vibrant voices and perspectives of their Task Force team members and we extend a special thank you for their time and effort.

The development of this paper and its recommendations would not have been possible without the hard work of the Task Force researchers – Evert Lindquist, Thea Vakil, Scott Graham and Sharon Halkett. The Center for Non Profit Management coordinated the research and was a key support in helping to bring the July 24 Plenary session together.

Penelope Hutchison shaped this document by integrating the work of the three (3) Task Forces and enhancing the threads of common meaning. The data and insights gathered from non profit sector stakeholders were made possible through interviewers Rachel Gold and Sonja Weaver. Similar information gathered through a questionnaire directed at provincial government ministries was made possible through the efforts of researchers Tracy Byrne, Georgia Sitara, Shyla Warner and Clare Tweedie with the assistance of Melissa Sexsmith and Shirley Woods.

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1.0 Introduction

The provincial government and the non profit sector successfully work together to meet the needs and interests of the people and communities of British Columbia – from increasing the number of British Columbians who are physically active to developing inclusive employment programs to providing supportive housing for vulnerable citizens. While the priorities and objectives of the relationship change depending on the needs, opportunities and challenges at hand, what remains constant is the two sectors’ reliance on one another to best meet the needs of citizens and communities across British Columbia.

The Government – Non Profit Initiative (GNPI) is about recognizing the respective needs and building on the complementary strengths of the two sectors to support the growth of an effective partnership. A better understanding of working together will mean that both government and the non profit sector get the best result for people using publicly funded services, whether provided by government or the non profit sector.

The GNPI begins from the premise that, on many fronts, neither government nor the non profit sector can be successful without the other. Building from that premise, the initiative recognizes that our joint success depends on being more strategic about the way we select and invest in priorities, make the best use of our respective capabilities and hold ourselves accountable for results.

The GNPI was struck to address three themes arising out of the first Roundtable – Strengthening the Government/Non Profit Relationship – in May 2007:

- **Working Together** – how we best structure the relationship

- **Procurement, Funding and Performance Measurement** – how we manage our business relationship efficiently, effectively and accountably

- **Capacity Building** – how we build and sustain the necessary human, financial and capital resources

Led by a Steering Committee and informed by the work of three Task Forces, this report proposes a strategic framework for the ongoing relationship.

In this Discussion Paper, the reader will find a recommended mission and vision that provide a shared sense of the results we aim to achieve and the kind of relationship needed to support these aims. Defined roles and recommended principles frame the activities we do together and how we will conduct ourselves. Finally, the initiative recommends goals and strategies that build on the complementary strengths of the two partners, enhance the resiliency of the relationship and enhance the way we recognize our respective needs in order to sharpen mutual accountability.

The overarching aim is to create the best possible outcomes for BC’s citizens and communities.

The GNPI Steering Committee and Task Force membership was, of necessity, limited, balancing the need to represent a diverse range of interests, program areas and regions while maintaining workable size and sufficient focus to accomplish the work. One of the key next steps is to broaden participation for the important work to come.

The Government-Non Profit Initiative:

- Focuses on the health and social development sub-sectors;

- Recognizes it cannot address unique and specific sub-sector challenges, yet believes its recommendations can serve as building blocks for work in other sub-sectors;

- Acknowledges the important contributions of the private sector but does not include this sector at this stage; and
• Recognizes the impact of the government/non profit relationship on the well-being of Aboriginal citizens.

The Initiative and this Discussion Paper are informed by the following activities:

• Commissioned reports:
  – Perspectives of BC’s non profit sector and government social development programs;
  – An Environmental Scan; and
  – A report on Aboriginal Perspectives.

• Submissions from the GNPI’s three Task Forces outlining current trends and best practices, vision and framework approaches and recommendations to improve the relationship (within the scope of that Task Force).

It is important to acknowledge the quintessential work of the GNPI’s three Task Forces. Frank and open dialogue at the three tables produced many

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**GNPI TASK FORCE PAPERS**

The three Task Force papers and relevant background documents are available on the GNPI website: [http://www.nonprofitinitiative.gov.bc.ca](http://www.nonprofitinitiative.gov.bc.ca)

- Working Together Task Force Submission
- Procurement, Funding and Performance Measurement Task Force Submission
- Capacity Building Task Force Submission
- Environmental Scan report
- Non Profit Sector Survey report
- Government Programs Survey report
- Aboriginal Perspectives report

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**Case Study: Measuring Up**

“Measuring Up” is a partnership between the Province of BC, 2010 Legacies Now and a number of other government, non profit and private partners. Its aim is to offer advice to communities on improving their accessibility, inclusivity for people with disabilities and for the whole community.1

The initiative demonstrates how much can be accomplished through a collaborative process that engages people with disabilities, local government, the business sector and other community leaders to assess and improve local accessibility and inclusion. The Measuring Up process includes a guide to assist communities to assess, prioritize and take action on these critical issues.

Grants of up to $25,000 are available for communities seeking to improve their accessibility and inclusiveness. These funds help community groups to undertake accessibility-related projects. More than 59 municipalities across the province have received funds to conduct community assessment, build wheelchair ramps and accessible doors, create inclusive employment programs and develop accessible outdoor trails and parks.
rich, thoughtful and detailed recommendations. While a desire to further craft and integrate these recommendations into higher level goals and strategies emerged from the July 24, 2008 Plenary Session, the Task Force papers form the foundation of the present paper.

The GNPI is confident this report offers a representative snapshot of the perspectives and state of the government/non profit sector relationship. Ultimately this report will go to decision makers in government and the non profit sector for discussion. It is also the hope that the approaches and recommendations provided here will inform the way in which government, the non profit sector and Aboriginal communities work together to meet Aboriginal service and community needs.
2.0 Why the Relationship Matters

The non profit sector is a significant force in the lives of British Columbians and makes a substantial and unique contribution to the quality of life of our communities. The relationship between government and the non profit sector in the development of socio-economic policy and the delivery of services for the public is critical to the well being of the province’s people and communities. Working more strategically together, government and the non profit sector can be a positive force in helping realize better quality of life for British Columbians.

2.1 The Non Profit Sector

The non profit sector is a key partner in the delivery of public services, alongside the public and private sectors. The sector comprises organizations that:

• Are non-governmental;
• Are ‘value-driven’ – primarily motivated by the desire to further social, environmental or cultural objectives rather than to make a profit per se; and
• Principally reinvest surpluses to further their social, environmental or cultural objectives.

2.1.1 Role in the Economy

With more than 20,000 registered charities, incorporated societies and voluntary organizations involved in an array of programs and services, the non profit sector is a vital economic player and an important employer in BC.

The non profit sector reports around $3 billion a year in revenues from provincial government sources. Accounting for one-third of the sector’s total revenues, this revenue is enough to significantly impact the sector’s sustainability.

The sector contributes an additional $6 billion into the provincial economy, more than agriculture, forestry, fishing and hunting and on par with mining, oil and gas. Not included in this equation is the monetary value of the more than 114 million hours in volunteer time annually mobilized by the sector – the equivalent of 69,000 full time employees.

2.1.2 Role in Communities

In addition to its economic contribution, the non profit sector plays an essential role in creating engaged and vibrant communities.

Over eighty percent of non profit agencies serve local and/or regional needs, operating at a grass roots level.

A small group of large agencies, many provincial or national in scope, provide the sector with needed large-scale capacity, as measured by revenue, volunteers and staff. Eighteen per cent of non profit organizations have revenues over $250,000 annually, and account for 92 per cent of total sector revenue, 90 per cent of paid staff and 35 per cent of volunteers. Government revenue sources increase with the size of the agency, making up between one-quarter and one-third of these organizations’ revenues.

Conversely, 82 per cent of non profits have revenues less than $250,000. They account for less than 8 per cent of revenues and 10 per cent of paid staff, but contribute 65 per cent of volunteers. Government transfers and payments make up just 11 per cent of revenues for this group.
The picture that emerges is of a small group of large agencies that provide the required large-scale capacity. A vast array of smaller organizations operates at the grass roots level and plays a significant role in galvanizing communities through philanthropy and volunteerism. In communities across the province, non profit organizations play a critical role in creating healthy, safe, and vibrant places to live.

One of the non profit sector’s key strengths is its ability to reach out to society’s most vulnerable, including children, families, seniors, people with disabilities, and others, providing service where government and the private sector do not and are often unable to reach. Being rooted in communities, the sector can often identify and respond to community issues faster and target needs more specifically than government or the private sector.

2.1.3 Recognizing the Non Profit Contribution

There is growing awareness and consensus amongst governments and thinkers in developed countries of the substantial and unique contribution of the non profit sector to the quality of life for people and in communities. Several jurisdictions (United Kingdom, Australia, Alberta, to name a few) have developed comprehensive approaches to enhancing the efficiency and effectiveness of the relationship.

There is growing realization here in B.C. of the need for a similar ‘conversation’, and that the lives of individuals and communities can increasingly be enhanced by the sector and government working together more strategically. Increasingly, we understand that investing in the non profit sector is an investment in communities. The return on investment can be measured by enhanced services tailored to the needs of users and the wider social benefits they bring through more empowered and engaged communities.

BC’s Non Profit Sector

• $9 billion in annual revenues, 6.9% of the provincial GDP;
• 49% of total revenue comes from all levels of government, 31% from earned income and 15% from donations;
• The majority (80%) are small organizations with annual revenues under $250,000; only 6% have revenues greater than $1 million;
• The sector employs 7% of the provincial workforce, more than forestry, fishing, mining and oil and gas industries combined;
• 1.5 million volunteers support the sector;
• Large non profits are the biggest employers (more than 108,000 full and part-time staff) compared to smaller non profits (less than 15,000);
• 62% of non profits operate locally, 20% serve regions, 9% are provincial and 9% serve several provinces or the country;
• 81% of non profits provide their services directly to people and only a few serve other organizations.

(Excerpted from: Murray, V. The Non Profit and Voluntary Sector in British Columbia: Regional Highlights from the National Survey of Non Profit and Voluntary Organizations. (2006). Imagine Canada; Toronto.)
2.2 The Provincial Government

The provincial government has the responsibility and accountability to set and act on social and health priorities within its policy and program sphere, and invests a significant amount of its efforts and resources in the health and social well-being of citizens and communities.

2.2.1 Government’s Investment in Health and Social Well-being

Nearly half of government’s total expenditures are targeted toward social and health concerns. In 2007-08, government ministries and agencies invested more than $14 billion in health and $3.6 billion in social services and housing programs.

A portion of this investment is in the public service which has the responsibility to deliver government policies and programs. However, during the past decade, there has been a trend toward the public service taking less of a role in direct service delivery, relying more on external delivery partners. In 2007-08, the health and social arm of government paid $1.7 billion into BC communities and community agencies via discretionary grants and payments under contract or agreement through eight government ministries encompassing sixteen core business areas and dozens of programs. This figure does not include additional payments and transfers made from Health Authorities, the BC Housing Commission and Community Living BC.

The public’s expectation that government be fiscally responsible has also led to an emphasis on balanced budgets and more structured and defined accountabilities for the expenditure of taxpayer funds. One of government’s core responsibilities is to ensure that the investment of public funds is managed accountably and produces results. Public and media concern and scrutiny contribute to enforce this accountability.

2.2.2 Community Based Service Delivery

Government relies extensively on community-based, arms-length, non profit agencies to deliver health and social services. In a survey of government program areas, the estimated proportion of service delivery contract funding awarded to non profit agencies ranged from 85 per cent at the BC Housing Corporation to 75 per cent at the Ministry of Children and Family Development and 34 per cent in employment programs within the former Ministry of Employment and Income Assistance.

The quality, continuity and effectiveness of publicly funded services depend to a large extent on the viability of the government’s community based partners. Government’s objectives respecting citizen-centered services, systems of support for vulnerable populations, engaged and vibrant communities and healthy populations all rely to a significant degree on the ability of its community-based partners to engage people and communities.

Strategic government investment in the non profit sector can help support stability amongst key non profit sector partners, enable joint capacity to manage accountability and enhance mutual ability to deliver results.
2.3 Common Challenges

In BC, as in other jurisdictions, the complexity of issues and the need and demand for services are growing, impacting government and the non profit sector independently as well as the way they must work together.

For instance, policy challenges and service needs are changing due to:

• Urban migration, international immigration, increasing income disparity, lack of affordable housing and other factors; 6 7 8 9
• Aboriginal peoples being the fastest growing segment of the population, over-represented in all measures of socio-economic deficiency; 10 11
• The province’s diverse and expansive geography, which creates unique community challenges, and poses difficulties in getting the right services to people where they live; 12 and

• An increasing demand for services at a time when the available labour force is both aging and shrinking. 13

Increasingly complex social issues such as homelessness, disability strategy, crime prevention and others require an increasingly diverse tool kit and policies and services that cross traditional program and sectoral boundaries.

Canada’s legislative framework – split between Federal and Provincial jurisdictions – creates a level of day-to-day complexity for the non profit sector. This means options within provincial jurisdictions cannot address all of the existing and potential opportunities and challenges.

The nature of philanthropy is shifting as well, with a new generation of donors and entrepreneurs using market-based approaches to solve socio-economic problems. 14 This is unleashing new ways of using resources for the public good. These givers provide new and innovative funding opportunities and are taking a larger role in directing the way the funds they provide are used. 15

The traditional roles of the public, private, and non profit sector roles are blurring:

• Increasingly the non profit sector is engaging in enterprise;
• The private sector is providing services and addressing issues in the social arena; and
• Government is engaging in public-private partnerships.

These three sectors have different mandates, accountabilities, strengths and ways of operating. The scope and complexity of issues facing citizens and communities requires bringing the attributes and tools of each sector together to make the best use of complementary capacities.

Underlying all of these changes is the rising public expectation that resources are managed
accountably; there is more intense public scrutiny to ensure this occurs.\textsuperscript{16}

The trend we are seeing in BC is similar to that seen in many other jurisdictions. While the complexity of issues is increasing and service demands are rising, a number of factors are challenging the sustainability of BC’s non profit sector and impacting the stability and effectiveness of the work government and the non profit sector do together. These include, for example:\textsuperscript{17}

- Reductions in funding from all levels of government;
- A trend toward project-based and short-term funding;
- Difficulty in recruiting and retaining staff and volunteers;
- Increasing service demands; and
- Variable capacity in terms of expertise and infrastructure.

Within the non profit sector, larger agencies are more likely to have the paid staff and professional acumen to work more effectively within business and accountability frameworks. However, as competition for scarce funding and the complexity of business and accountability requirements increase, these agencies must spend more time on administration and less on value added programs and services. The issue is more fundamental for smaller agencies which have fewer paid staff, less time and less business capacity to participate and compete in complex business and accountability frameworks.\textsuperscript{18}

Non Profit Sector Survey of Risk Factors

- Lack of long-term and sustainable funding:
  - 66% of Non Profits report reductions in government funding;
  - 55% report concerns connected with funders being willing only to fund projects;
  - 62% report concerns due to funders unwillingness to fund core operations.

- Human Resource Challenges
  - 25% report difficulties in obtaining paid staff;
  - More than 50% report challenges recruiting and retaining volunteers and board members.

- Increasing service demand
  - 41% report problems due to increasing demand for their services.

- Capacity and infrastructure challenges
  - 35% cite a lack of internal capacity to meet the increasing demands for services.

- Lack of unified Non Profit sector representation.

- Difficulty managing complex and varied accountability requirements.
2.4 Building on a Strong Foundation

One of the key realizations arising out of the May 2007 *Roundtable on Government/Non Profit Relations* was that we need to pay strategic attention to the government-non profit relationship in order to be in the best position to meet current and future needs.

The GNPI builds on work already begun on many fronts where non profit organizations are working successfully with the government to provide innovative and effective programs and services. A few recent examples identified by the GNPI Task Forces include:

- ActNow BC
- Vancouver Homelessness Outreach Program
- Measuring Up
- 10 by 10
- Success by Six

There is also increasing realization that no single sector alone can meet the needs and face the challenges which lie ahead. Focusing on improving working relations between government and the non profit sector, the following sections of this paper set out a strategic framework, goals and strategies to help us realize effective partnerships at all levels between the two sectors.

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**Case Study: ActNow BC**

ActNow BC is a health promotion initiative that seeks to improve the health of British Columbians by taking steps to address common risk factors and reduce chronic disease. It is a successful example of what can be accomplished when goals and enthusiasm align between government and the non profit sector.19

Through joint partnerships, community involvement and government initiative, this comprehensive model takes a holistic approach to improving the overall health of citizens. ActNow BC has gained the province international recognition due to its innovative and collaborative approach to tackling challenging health issues.

The purpose of ActNow BC is to support schools, employers, local governments and communities to develop and promote programs that make healthy choices the easy choices for all British Columbians. Its goal is to make BC the healthiest jurisdiction ever to host an Olympic and Paralympic Winter Games.

Part of the initiative’s success is the fact that it is grounded in research and employs reliable benchmark data, enabling the Government to annually report on the progress the initiative is making towards meeting five health targets for the BC population by 2010.

The program was launched in March 2005 in response to research that showed that common chronic diseases such as type-2 diabetes, cardiovascular disease, hypertension and some types of cancer can be dramatically reduced through proper nutrition, exercise and elimination of tobacco use.
3.0 Framing the Relationship

The GNPI strategic framework begins from the premise that a strong partnership is based on a shared mission and vision of what we are trying to accomplish; a shared understanding of our joint roles, and shared principles informing how we work together.

3.1 Our Mission

The GNPI’s proposed Mission establishes an outcome focus for the government-non profit relationship. The Mission states:

Government and the non profit sector work together to:

- Ensure children, families, youth, seniors, the homeless, the disabled and all other British Columbians are able to live to their fullest potential;
- Work actively with Aboriginal partners and other representatives of British Columbia’s diverse cultural fabric; and
- Build vibrant, engaged and supportive communities British Columbians want and deserve.

3.2 Our Vision

The GNPI Vision sets out how we agree the relationship must work in order to achieve results in line with our joint Mission.

The Vision recognizes the inherent strength in the government/non profit alliance and its ability to build an even more positive and proactive working relationship where government and the non profit sector:

- Work intentionally and purposefully together to create better communities and better outcomes for British Columbians;
- Recognize the unique, complementary and essential strengths of each sector while acknowledging differing mandates and accountabilities; and
- Make the best use of combined strengths to address the needs and challenges facing British Columbia’s citizens and communities.

3.3 What We Do Together

The GNPI Mission and Vision establish a shared sense of the individual and community outcomes we aim to accomplish and the nature of the relationship we aim to achieve in order to best support these outcomes. The GNPI also examined the nature of the work the two sectors do together to accomplish their shared purpose.

3.3.1 Action

The work of the two sectors can be accomplished through three fundamental modes of action:

Service Delivery involves putting in place the people, processes and infrastructure needed to provide a decided and defined program or service. This type of relationship is largely transaction based, and involves procuring, bidding, providing and paying for services.

Consultation involves engaging the people, communities affected by a policy, program or service in its design. When government consults, non profit agencies often provide an organizing voice and a focal point for the views of people and communities. The relationship consists of gathering input and perspectives and recognizes
the value in exploring potentially differing views and actively considering them. While the ultimate decision as to the shape of a policy, program or service rests with one of the parties, the information and views collected will influence what ultimately gets delivered.

**Partnership** acknowledges that, with respect to the issue or opportunity at hand, the parties are dependent on each other for success. Strategically, partnership begins with the intent to work together on equal footing to identify policies that address shared priorities. Operationally, partnership involves developing programs and services that leverage the two sectors’ complementary strengths to address those priorities. Delivering services in partnership also implies that risks, costs and accountabilities are negotiated and shared. Partnership entails engagement. It also implies a shared role in delivery when a program or service is needed.

In practice, a given policy, program or service requirement will be addressed by some combination of these activities – consultation at some depth will be part of the design of a program or service. Negotiated priorities and risk sharing at some depth will be part of the decision to work together in the delivery of a program or service.

### 3.3.2 Interaction

The two sectors also work together at different organizational levels.

**Sector-to-sector** interaction takes place between government as a whole and the non profit sector as a whole.

Sector-to-sector work may deal with issues, opportunities and changes that have broad implications for the efficiency and effectiveness of the two sectors’ working relationship. Sector-to-sector work will affect government or sector wide policy such as funding and financial models, and may also include cross-cutting priorities and strategies to address broad based socio-economic issues of mutual priority. Sector-to-sector work may involve gathering and disseminating information about “best practices”.

This level of interaction is primarily a strategic partnership which will influence the way the two sectors engage and deliver at the levels of interaction described below. Consultation for the sake of information flow will be part of this work, but sector-to-sector interaction will involve little or no direct delivery. The GNPI and its follow up work are examples of sector-to-sector work.

**Horizontal** interaction crosses organizationally defined policy and operational boundaries and involves multiple Ministries and non profit agencies in a strategic response to a complex policy challenge. Horizontal interaction will be most effective when partnership and engagement are used to build multi-Ministry and multi-agency policy, programs and services. Horizontal interaction may involve coordinated delivery of multiple programs or services. Programs to address homelessness through a coordinated suite of housing, addiction, mental health, income assistance and life skills services are examples of horizontal interaction.

**Sub-Sector to Sub-Sector** interaction takes place within organizationally defined policy boundaries, for example, between a Ministry and the associations and agencies that affect and deliver the policy and services for which it is primarily responsible. Consultation is a substantial component of this interaction, with the information shared being used to develop partnerships or service delivery arrangements as suit the requirement at hand. The mandate of a Ministry at a given point in time may cover more than one policy sub-sector and will involve responsibility for multiple operational programs. The relationship between the Ministry of
Children and Families and the Federation of Child and Family Services is an example of Sub-Sector to Sub-Sector interaction.

**Program to Program** interaction takes place between a defined operational program area in government and the agencies that deliver the program for which it is responsible. Consultation will typically be involved in policy and program development and partnership may be involved in the way services are provided, but this level of interaction will have a substantial service delivery component.

### 3.3.3 Implications for Goals and Strategies

The framework was developed in response to two overarching and early premises of the GNPI.

First, is the premise that a **strategic use of partnership and engagement at all levels of interaction** is needed in order to develop more effective ways to recognize and strategically deploy the respective strengths of the two sectors.

Figure: Government and the non profit sector interact at different levels ranging from broad sector-to-sector strategy and consultation on systemic issues, to the discussion and partnership that goes into the delivery of specific services at the program level. The GNPI aims to increase the degree of consultation and partnership at all levels, and to build better capacity to engage in sector-to-sector and cross-cutting policy work.
The second premise is related to the observation that, at present, the two sectors interact primarily at the Sub Sector to Sub Sector and Program to Program levels. More substantial sector-to-sector and horizontal relationships are needed in order to address systemic challenges and opportunities and increase effectiveness.

The diagram on page 21 reflects the complexity of this relationship and points to the GNPI’s priority to increase strategic engagement and sector-to-sector collaboration.

### 3.4 Principles Governing the Relationship

The GNPI principles take as their point of departure the recognition that partnership, consultation and service delivery will occur in a varying blend and at different levels of interaction between the sectors and can all be consistent with the vision of an increasingly positive and proactive relationship between the government and non profit sector in BC. Given

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**Case Study: Success by Six**

Success By 6 is a unique partnership among Credit Unions, United Ways, the BC Government through the Ministry of Children and Family Development (MCFD) and BC communities. An early childhood development initiative dedicated to providing all children with a good start in life, it helps to ensure that children ages 0 to 6 develop the emotional, social, cognitive, and physical skills they need as they enter school. Since April 2003, this provincial partnership has successfully facilitated the development of Success By 6 initiatives that reach out to more than 150 communities across the province. It has brought together hundreds of key leaders from all sectors (business, labour, health, education, social services, Aboriginal communities, etc), and raised millions of dollars worth of contributions.

Success By 6 works to build and enhance community through engaging citizens in early childhood development, and funding programs that strengthen services for young children and their families. Prevention-focused, research-informed and community-based, these funded programs include a focus on literacy, nutrition, children’s play, parenting and family skills development.

A vital element behind the success of the initiative is the fact that it recognizes the importance of culture, language, self-determination and self-government to Aboriginal people in BC. It works with Aboriginal communities to enhance the lives of young Aboriginal children and their families, seeking to strengthen their community capacity, increase cultural awareness of Success By 6 partners, and promote awareness of the importance of the early years in the healthy development of children in communities.
this diversity and complexity in the relationship, the GNPI has developed the following principles which imply that—regardless of the scope of the relationship—there are regular processes of communication, established and shared norms of engagement, recognition of the roles and value of each sector, and a disposition towards meaningful action rather than frameworks, agreements, and institutions without such action.

Accordingly, the relationship between government and the non-profit sector, and the work we do together will:

- Strive toward a shared vision, common understanding and congruent expectations;
- Value partnership and engagement as the cornerstones of better outcomes;
- Exemplify the change and culture we want to create;
- Recognize the interests and autonomy of the two sectors;
- Value the interdependence of the two sectors;
- Be anchored in mutual trust and respect;
- Cultivate communication;
- Be resilient against the ebb and flow of priorities and interests within the respective sectors;
- Employ structures, processes and parameters in the relationship that are appropriate for the level of engagement and will support action;
- Be inclusive of the diversity in the sector while representing collective interests;
- Recognize and welcome all cultural perspectives and processes;
- Promote dialogue between the two parties across and within policy/program sub-sectors to build capacity for collaboration;
- Promote a culture of mutual learning, including acknowledgement of the importance of accountability and transparency;
- Seek a positive resolution to differences as they may arise; and
- Be forward thinking and adaptable.

3.5 Realizing the Potential

The mission, vision, roles and principles provide a foundation on which to further strengthen and cultivate an effective working relationship between government and the non-profit sector. They act as beacons to help guide the partnership in all of its complexity as the two sectors navigate the opportunities and challenges which lie ahead. The next section sets out goals and strategies that, at their heart, focus on optimizing the effectiveness of the relationship between government and the non-profit sector so that together we can attain better results and better outcomes for BC’s citizens and communities.
4.0 Goals and Strategies

The work of the GNPI’s Task Forces focused on developing recommendations with respect to the nature and structure of the relationship, procurement, funding and accountability models, and capacity building. During the course of their work, the Task Forces discovered a consistent and foundational set of issues they were each trying to address in their own way.

Through the guidance of the Steering Committee and the July 24, 2008 Plenary Session of the Task Forces and Steering Committee, these issues have been combined into a set of recommended core goals and strategies. Some of these relate to establishing the strategic framework recommended above.

The core point of any of these recommendations is to advance our mutual abilities to:

- Partner and engage;
- Be strategic about the way we select and invest in priorities;
- Make the most effective use of our differing but complementary capabilities; and
- Be accountable to better meet the needs of the citizens and communities of British Columbia.

Goal 1: Government and the non profit sector work proactively and intentionally in partnership to identify and act on mutual priorities.

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<td>Working effectively together requires a foundation of structure and process through which commitments can be made, action can be initiated and results followed up at all levels of the relationship. Equally important is the building of a culture of trust and open communication that allows this work to happen because of, and sometimes in spite of, differing mandates, accountabilities and approaches. This goal is about achieving the outcomes we commit to in our mission and creating the framework that allows the necessary strategic and substantive work to happen.</td>
<td>A. Establish a framework for the relationship incorporating a mutual mission, vision and joint principles. B. Build formal structures representing the non profit sector and government to give voice to their respective needs and interests and establish forums in which the sectors commit to come together. C. Develop joint priorities to realize the mission and vision. D. Create a learning partnership that supports the sharing of best practices and research in government/non profit collaboration.</td>
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Goal 2: Government and the non profit sector invest strategically to promote stable, accountable and effective organizational capacity to deliver on mutual priorities.

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<td>The fact that government and the non profit sector work together is a historical constant, while the ability to address present and pending challenges requires the two sectors to become more strategic in their approach.</td>
<td>A. Establish performance based multi-year contracting for long term needs.</td>
<td>• TBA.</td>
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<td>The ability of non profit sector partners to plan and manage strategically, to deliver reliable and stable services and to meet business and accountability requirements depends on having sufficient reliable financial resources, skilled human resources and appropriate, supporting infrastructure.</td>
<td>B. Adopt cost-recovery models that promote stability and continuity of services by acknowledging the full range of administrative and overhead costs.</td>
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<td>Government can support its own objectives and those of the sector by investing strategically in the sector. But this goal is not simply about government investment; it is about the sector developing and implementing scalable funding models that rely on a diverse number of sources.</td>
<td>C. Determine and implement best practices in sustainable funding models that do not depend solely on government funding and are scalable according to the size, scope and needs of the organization.</td>
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<td>Working together and investing strategically requires both sectors to better understand their respective needs, restraints and contributions. This goal is to build that understanding within both sectors.</td>
<td>D. Implement strategic use of grants and contracts to support joint priorities and build the human capacity and infrastructure to manage accountably and effectively.</td>
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<td>E. Establish leadership exchange and training to promote knowledge exchange and inform members of both sectors how best to leverage the value of the government/non profit relationship.</td>
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Goal 3: Government and the non profit sector enhance efficiency and effectiveness through accountability.

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<td>The expenditure of public funds requires substantial diligence with respect to transparency and fairness in procurement processes and strong accountability mechanisms. Both the public and the courts enforce these requirements in their own ways. Recognizing that the non profit sector adds unique and necessary value on many fronts, these requirements are not inconsistent with assigning value to non profit strengths when they present the best way to achieve an objective. This goal is about understanding the unique “value add” provided by the non profit sector and how to assign and measure this value in business arrangements. Another aspect of this goal is about achieving an efficient balance between processes required to meet standards of diligence and the resources</td>
<td>A. Reduce unnecessary process and duplication, develop standard approaches and templates and use information technology in procurement to reduce the administrative burden on all parties while continuing to meet due diligence and accountability requirements. B. Develop a model that defines: • The unique ‘value add’ provided by the non profit sector; • How it can be recognized in procurement and measured in accountability processes; and • How to determine if and when this is the best option to proceed. C. Focus performance requirements on outcomes and holistic goals which reduce the number and complexity of measures to track while ensuring that core accountabilities are met. D. Establish training and knowledge exchange programs to inform members of both sectors about best practices in funding and procurement.</td>
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Goal 4: Government and the non profit sector work across traditional silos to coordinate program efforts and more effectively address the multi-dimensional needs of people and communities.

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| **The needs of people and communities do not neatly correspond to program boundaries.** At the systemic level, the solution to homelessness is not simply to provide shelter, and crime reduction is not simply a matter of enforcement and deterrence.  
  
  *This goal is about applying comprehensive and holistic approaches to policy challenges and systemic issues, as well as mobilizing across program and sectoral boundaries to be most effective. In the process, we develop services that offer wider social benefit, by engaging and empowering individuals and communities.* | A. Identify and replicate where appropriate current strengths and successes in the delivery of citizen centered, horizontally administered programs and services.  
B. Actively assess new and existing policies, programs and services with respect to their ability to meet the needs of the whole individual and address the multiple determinants of complex social problems. | • TBA. |
Goal 5: Government and the non profit sector modify and/or expand their engagement where appropriate and effective to meet the diverse community and cultural needs of British Columbians.

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<td>Non profit organizations have a special ability to engage and empower their users, reaching out to societies most vulnerable and meeting diverse cultural and community needs. The large majority of non profit agencies work at the grassroots level and are key contributors to these efforts, engaging volunteers, mobilizing community philanthropy and serving as a focal point for community-based responses to local issues. The approaches developed in the GNPI hold particular promise to support Aboriginal peoples. The non profit emphasis on communities and people helping people aligns with traditional Aboriginal values. This goal is therefore also about supporting the development of a viable non profit sector approach with strong Aboriginal leadership and participation to help build capacity within Aboriginal communities.</td>
<td>A. Fully engage the Aboriginal community in all areas of collaboration within the government/non profit relationship to explore its applicability and potential for implementation to help address Aboriginal community needs. B. Enhance regional and small community non profit sector engagement in the GNPI to better canvass this point of view and ensure strategic support for their role in promoting volunteerism, community based fund raising and self-initiated solutions to community challenges. C. Engage the private sector in this dialogue.</td>
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5.0 Next Steps

This paper reflects the work and processes of the GNPI Steering Committee and Task Forces to date. This version of the paper incorporates input garnered from the July 24, 2008 Plenary Session, attended by the Steering Committee, members of the three Task Forces, and the staff, policy and research teams. The process of gathering insights and further input is continuing into the fall of 2008.

This work will be of key interest to those who work directly in government departments and non profit agencies that create and deliver policies, programs and services, as well as affected citizens of BC. A consultation process will solicit further input during October 2008 which will, no doubt, advance thinking and provide new perspectives, shaping the final Discussion Paper along with its recommendations. That final Paper, along with a plan for action, will be presented for endorsement at the GNPI Summit on Government/Non Profit Relations, to be held in Vancouver on November 19, 2008. As this document is shared with a broader audience, we ask readers to consider it a “work in progress”.

In order to provide initial scope and manageability, the work of the GNPI has primarily involved participants from the social services and health sub-sectors. This means that, by design, important opportunities were left out of scope. The opportunities and challenges identified by the GNPI are familiar within other sub-sectors (such as the arts, sports, environment, etc.). It will be important to explore how the GNPI’s principles and recommendations will have application in those contexts. Once the results of the GNPI to date are endorsed, these will require action.

In addition, there will be a need to engage the private sector in the strategic conversation. Finally, the GNPI identifies the opportunity, but not yet the specific strategies, to expand its work into the Aboriginal context.

While a year in development, the work presented here is a starting point. The GNPI identifies the need, willingness and opportunity, and creates the momentum necessary to carry forward with concrete action to implement the goals and strategies identified in this paper.

There is a great deal of work ahead to achieve the vision laid out by the GNPI. While the aims of government and the non profit sector will not always perfectly align, at the core of the relationship is a shared concern for improving the well-being of individuals and communities in BC. By bringing together BC’s government and its non profit sector through this Initiative, we can maximize our broader collective ability to solve the challenges facing our communities and create better outcomes for all British Columbians.
Appendices

Appendix A: Glossary

**Accountability** is a broad concept that requires a public sector entity to answer to elected officials and the public they represent to justify the raising of public resources and to explain the purposes for which they are used. It includes providing useful information for assessing the performance of a public sector entity.

**Activities** refer to what is done with the resources, the processes, which form the intentional part of program delivery.

**Advocacy** is the act or process of defending or maintaining a cause or proposal. An organization may have advocacy as its mission to increase public awareness of a particular issue or set of issues.

**Best Value** is the outcome of any acquisition that ensures customer needs are met in the most effective, timely and economical manner.

**Capacity** refers to the ability of an entity to achieve its intended results. Capacity includes both financial and non-financial resources available to an entity to deliver its activities.

**Capacity Building** is the process of building the potential of organizations to respond to the needs of the community they serve.

**Collaboration** is based on the belief that organizations with similar mandates can accomplish more working together than they can on their own. Collaborations may be cause-oriented, where groups come together over a common issue; management-oriented, where groups form partnerships to build the capacity of their member organizations; or a combination of both.\(^1\)

**Community Development** is the process or effort of building communities on a local level with emphasis on building the economy, forging and strengthening social ties, and developing the non profit sector.

**Compact** is a non profit sector’s written agreement with the government which has undertakings on both sides, shared principles and values such as recognizing the sector’s independence, and mechanisms for making it work.

**Contract** is a legally binding agreement between a government body and a non profit organization to provide services on behalf of the public body. A contract will specify the services to be provided and what the contractor is to be paid for providing them. It will also include provisions, in greater or lesser detail, setting out the legal obligations that each of the parties accepts in order to fulfil the purposes of the contract.

**Core Funding** is synonymous with operating support, infrastructure support, general purpose support. Core funding represents those dollars that are required to support a non profit organization’s mission rather than specific projects or programs. Another definition: Core funding is funding directed to an organization’s operations as a whole rather than to particular projects. It is the working capital that non profits need to sustain their operations.

**Engagement relationship** values and encourages open communication, consultation, and collaboration between all parties. It welcomes non profit and community input, advice and leadership through forums and processes that
contribute to the building of capacity in all sectors and creating healthy, vibrant and socially engaged communities.

**Evaluation** is the assessment of the extent to which a program has met its objectives: that is, has been effective, economical and efficient. There are two sorts of evaluation: **summative** and **formative**. Summative evaluation makes the assessment after the program has been in operation for some time, or is complete, while formative evaluation assesses the program as it is being put in place and during its early operation.

**Governance**, in the non profit sector refers to the actions of the volunteer board of directors of an organization with respect to establishing and monitoring the long-term direction of that organization.

**Grant** is a sum of money given by a donor or government body to support the work or objectives of a non profit organization.

**Full Cost Recovery** includes paying for the full costs of the service provision including a proportionate share of organizational operating costs and the actual operating costs of service delivery. Full program/service cost budgeting include the administrative costs of applying for and reporting on public funds as well as providing the organizational infrastructure for sound project management.

**Funding** refers to a continuum of funding/procurement options including unconditional grants, research agreements, trusts/endowments, multi-partner funding, direct awards and performance-based contracts.

**Infrastructure** is the physical facilities, structures, systems, relationships, people, knowledge and skills that support, develop, co-ordinate, represent and promote front-line organizations to enable them to deliver their missions more effectively.

**Inputs** are the human, financial and material resources applied to a program.

**Logic Model** is a diagrammatic representation of a program (Rush and Osborne, 1991). A logic model provides a graphic depiction of the relationship between inputs, activities, outputs and outcomes in a program or service directed towards an intended audience. Indicators are used to describe the quantity and quality of outputs and outcomes and also to connect the dots between inputs, activities, outputs and outcomes. Having a logic model embedded in contracting processes promotes clarity and certainty about what services or products are being purchased, what resources are required to support the endeavor, what indicators will be used to measure the results achieved, and what reporting and accountability measures need to be in place.

**Match funding** is a requirement by funding agencies that any contributions they make towards programs or project costs should be matched by other funders, or by the applicants from their own resources.

**Non Profit** may refer to an organization or the entire sector. It means not conducted or maintained for the purpose of making a profit. Instead, it operates to serve a public good. Any net earnings by a non profit organization are used by the organization for the purposes of which it was established. As an entire sector, non-profits include hospitals, universities, trade organizations, voluntary associations and religious organizations.

**Outcomes** are the intended results that are linked to program objectives. Outcomes are short statements specifying the desired impact, or effect of a program (i.e. how much of what should happen by whom by when). Outcomes are the specific changes in the program participant’s behaviour, knowledge, skills, status and level of functioning. Often programs have several
outcomes and it is common for these outcomes to be differentiated by when they are expected to occur (short, medium and long term).

**Outputs** are generally the services you provide to fulfill the program mission. Activities are the work accomplished by using resources, and outputs, are the number, duration or quantity of those activities. (i.e. the direct product of program activities). Typically, ways of representing the amounts of work that is done as a program is implemented. For example, in a job training program “the number of clients trained” would be an output. Typically outputs are countable and are the first and often most tangible.

**Partnership** is the association of two or more entities who agree to undertake a joint initiative or purpose, and share the risks and rewards associated with the undertaking. There is a presumption of equal influence or say in, and responsibility for the well-being and effectiveness of, the relationship and the action taken.

**Partnership relationship** involves developing shared policy, priorities, risks, decision-making and co-delivering services to citizens and communities in a more alliance-style approach. It equally values leadership and contributions from all sectors through shared governance models, and forums to learn, promote, debate and influence policies and practices and to generate effective solutions to priority issues.

**Performance Based Contracting** has several characteristics that distinguish it from the more traditional types of governmental contracting. Performance based contracting typically incorporate some or all of the following:

- Emphasizes results related to output, quality and outcomes rather than how the work is performed;
- Has an outcome orientation and clearly defined objectives and timeframes;
- Uses measurable performance standards and quality assurance plans; and
- Provides performance incentives and ties payments to outcomes.

**Procurement** is defined as being the acquisition of goods and services from third party suppliers under legally binding contractual terms where all of the conditions necessary to form a legally binding contract have been met. Such acquisitions are for the direct benefit of the contracting authority, necessary for the delivery of the services it provides or for the running of its own business.

**Procurement/Funding Program Design Elements:** The Procurement, Funding and Performance Measurement Task Force considered the following elements during its discussions: Program Outcomes, Type of Relationship, Risk Management, Call for Proposals Process, Deadlines, Application/Proposal, Assessment Process, Decision-making Process, Terms of Funding, Payment Terms, Payment Schedule, Agreement, Performance Measurements, Monitoring Relationship and Reporting Requirements.

**Project funding** is payment for a particular service (ongoing) or project (time limited).

**Request for Proposal (RFP)** is when a government issues a new contract or grant program, it sends out RFPs to agencies that it believes may be qualified to participate. An RFP lists project specifications and application procedures.

**Results** are both the outputs produced and outcomes achieved by an entity. Results reflect the purpose for which an activity is performed as set by the goals and objectives (results can be either actual results or planned/expected results).

**Risk Management** is the culture, processes, and structures that are directed toward the effective
management of potential opportunities and adverse effects.

**Sector** is a distinctive part or division of the economy. The economy is typically divided into three sectors: the private (business), public (government), and the non-profit sector.

**Service Delivery relationship** is rooted in managing services, contracts, and transactions and securing best value for resources. Focus is primarily on the *administrative* dimensions of the relationship such as streamlining efficiencies in contracting and contract management. The scope includes services that address: promotion, prevention, intervention, rehabilitation, cultural development, capacity and community development, place-based and subject-based interests, and social enterprise development.

**Third Sector** is another name by which the non-profit sector is known.

**Transparency** refers to the full, accurate and timely disclosure and accessibility of relevant information about performance.

**Volunteerism** is the theory, act, or practice of being a volunteer or of using volunteers in community service work.
Appendix B: GNPI Membership

GNPI STEERING COMMITTEE

David Morhart  (Co-chair)  Deputy Solicitor General, Ministry of Public Safety
and Solicitor General

Faye Wightman  (Co-chair)  President and CEO, Vancouver Foundation

Janet Austin  CEO, YWCA of Vancouver

Tim Beachy  Chair, Center for Sustainability

Maureen Duncan  resident and CEO, United Way of Greater Victoria
(Representing United Way BC/Yukon)

Leslie du Toit  Deputy Minister, Ministry of Children and Family Development

Ida Goodreau  CEO, Vancouver Coastal Health Authorities.

Paul LaCerte  BC Association of Aboriginal Friendship Centers

Evert Lindquist  Chair, The Center for Non Profit Management;
Director, University of Victoria, School of Public Administration

Cairine MacDonald  Deputy Minister, Ministry of Housing and Social Development

Michael MacDougall  Chief Operating Officer, Ministry of Health Services

Alan Markwart  Assistant Deputy Minister, Ministry of Children and
Family Development

Suzanne Strutt  Chief Executive Officer, BC Recreation and Parks Association;
Founding Chair, BC Healthy Living Alliance

Lori Wanamaker  Deputy Minister, Ministry of Labour and Citizen Services

Cheryl Wenezenki-Yolland  Comptroller General, Ministry of Finance and
Ministry responsible for the Olympics
## WORKING TOGETHER TASK FORCE

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
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<tbody>
<tr>
<td>Jennifer Charlesworth</td>
<td>Executive Director, Federation of Child and Family Services, BC (Co-chair)</td>
</tr>
<tr>
<td>Heather Dickson</td>
<td>ADM, Labour Market Programming Transfer Office, Ministry of Employment and Income Assistance (Co-chair)</td>
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<tr>
<td>David Cheperdak</td>
<td>CEO, Broadmead Care Society,</td>
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<tr>
<td>Guy Cookson</td>
<td>Executive Director, Regulatory Reform Office, Ministry of Small Business and Revenue</td>
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<tr>
<td>Jane Cowell</td>
<td>Director, Regional Support Secretariat, Ministry of Children and Family Development</td>
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<tr>
<td>Bruce Dewar</td>
<td>CEO, Legacies Now</td>
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<tr>
<td>Vicki Dobbyn</td>
<td>Executive Director, Sunshine Coast Community Services</td>
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<tr>
<td>Carl Fischer</td>
<td>Director, Financial Reporting and Advisory Services, Office of the Comptroller General</td>
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<tr>
<td>Lois Fraser</td>
<td>Assistant Deputy Minister, Ministry of Labour and Citizens’ Services.</td>
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<tr>
<td>David Galbraith</td>
<td>Assistant Deputy Minister, ACT Now BC, Ministry of Healthy Living and Sport</td>
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<tr>
<td>Bev Guttray</td>
<td>Executive Director, Canadian Mental Health Association, BC Division</td>
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<tr>
<td>Steve Howell</td>
<td>Executive Director, Integrated Justice Secretariat</td>
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<td>Colleen Kelly</td>
<td>Executive Director, Volunteer Vancouver</td>
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<tr>
<td>Mabel Louie</td>
<td>Health Director, Carrier Sekani Family Services</td>
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<tr>
<td>Adrienne Montani</td>
<td>Provincial Coordinator, First Call</td>
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<tr>
<td>Warren O’Briain</td>
<td>Executive Director, Communicable Disease and Addictions Prevention</td>
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<tr>
<td>Tracy Porteous</td>
<td>BC Association of Victim Assistance and Counselling Programs.</td>
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<tr>
<td>Cyndi Stevens</td>
<td>Executive Director, Port Alberni Friendship Centre</td>
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PROCUREMENT, FUNDING AND PERFORMANCE MEASUREMENT
TASK FORCE

Sarf Ahmed  Assistant Deputy Minister, Management Services,
(Co-chair) Ministry of Children and Family Development
Tung Chan  CEO, SUCCESS
(Co-chair)
Janice Abbott  Executive Director, Atira Women’s Resource Society
Gloria Back  Executive Director, Employment Programs Management,
Ministry of Employment and Income Assistance
Darryl Burnham  Executive Director, Coast Mental Health Services
Dave Collisson  Office of the Comptroller General
Susanne Dahlin  Executive Director, Victim Services, Policing and Community Safety,
Ministry of Public Safety and Solicitor General
Bill Downie  Executive Director, Kelowna Community Services
Lois Hollstedt  Board Chair, Community Living BC
Murray Krause  Central Interior Native Health Society
Fred Leonard  Co-Chair Downtown Eastside Task-Force, Vancouver Board of Trade
Isobel MacKenzie  Executive Director, Beacon Community Services
Joe Murphy  Vice President, Operations & Support Services,
Vancouver Island Health Authority
Bruce Parisian  Executive Director, Victoria Native Friendship Centre
Richard Poutney  Assistant Deputy Minister, Common Business Services,
Ministry of Labour and Citizens’ Services
Norma Strachan  Executive Director, ASPECT
Barb Walman  Assistant Deputy Minister, Ministry of Attorney General
and Minister Responsible for Multiculturalism.
Bill Walters  Executive Director, Immigration Settlement Branch,
Ministry of Advanced Education and Labour Market Development
CAPACITY BUILDING TASK FORCE

Teri Nicholas  Executive Director, Family Services of Greater Vancouver
(Co-chair)

Derek Sturko  Assistant Deputy Minister, Gaming Policy and Enforcement Branch,
Ministry of Housing and Social Development
(co-chair)

Paul Beardmore  Project Manager, Personal Supports Team,
Ministry of Housing and Social Development

Kathy Bedard  Chair ASPECT BC, Executive Director Hecate Straight Community
Services, Member Voluntary Sector Advisory Committee
(Service Canada)

Dianne Binn  Gaming Grants – Liaison Officer,
BC Association of Aboriginal Friendship Centres

Wilma Clarke  Manager, Center for Non-profit Development,
Labour and Citizen’s Services

Mark Ely  Director, Housing Provider Services, BC Housing Authority

Al Etmanski  Executive Director, Planned Lifetime Advocacy Network

Sandra Evans  Director, Workforce Strategies, Talent Management Division

Gilda Good  Executive Director, Centre for Non Profit Management

Val Green  Executive Director, Volunteer Victoria

John Harper  Executive Director, Intergovernmental and Community Relations
Branch, Ministry of Aboriginal Relations and Reconciliation.

Nancy Henderson  Executive Director, Social Planning and Research Council
of British Columbia

Lucie Honey-Ray  Manager, Centre for Non Profit Development,
Labour and Citizen’s Services

Tom Jensen  Assistant Deputy Minister, Ministry of Community Development

Paige MacFarlane  Assistant Deputy Minister, Ministry of Education
and Minister Responsible for Early Learning and Literacy

Michael McKnight  Executive Director, United Way of the Lower Mainland

Eulala Mills-Diment  Executive Director, Chief ASD Executive, Labour and Citizen’s Services

Lynn Moran  Executive Director, Affiliation of Multicultural Societies and Service
Agencies of BC

Karen Stone  Executive Director, BC Non-Profit Housing Association

Cole Rheaueme  Consultant, Mi’Kmewesu Management

Clyde Tucker  President, Shuswap Community Foundation; Board Member, Centre
for Sustainability

Laurie Woodland  Executive Director, Ministry of Healthy Living and Sport
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