COMMUNITY LITERACY OF ONTARIO
CIPMS E-COMMUNIQUE
FEBRUARY 2010

Dear CLO members,

Community Literacy of Ontario is pleased to present our CIPMS E-Communiqué. The focus of this E-Communiqué is organizational capacity.

Organizational capacity is about building and strengthening the way your literacy agency operates. It includes the processes and resources you use to keep your organization healthy and vibrant such as financial management, human resources management, risk management, board governance, strategic planning and more.

Organizational capacity is one of the cornerstones of a CIPMS. If your organization doesn't have the processes and resourc**es it needs to operate to capacity, then it likely won't be** able to achieve the outcomes it wants to achieve. Strengthening capacity or even expanding capacity may be an area of improvement that your agency wants to focus on as part of its CIPMS plan.

In this communiqué, we will tell you a bit more about some key areas of organizational capacity and share some useful resources that we have found. And because of its timeliness and importance**, we will also share a brief update on MTCU's transformation of** Employment Services.

In this February 2010 CIPMS E-Communiqué Community Literacy of Ontario is pleased to cover the following topics:

1. Update on the Transformation of Employment Services under Employment Ontario

2. **CLO's Capacity Institute** and Resource Guide Project

3. Organizational Capacity and Financial Management

4. Human Resources Management

5. Risk Management

6. Program Evaluation

7. Board Governance
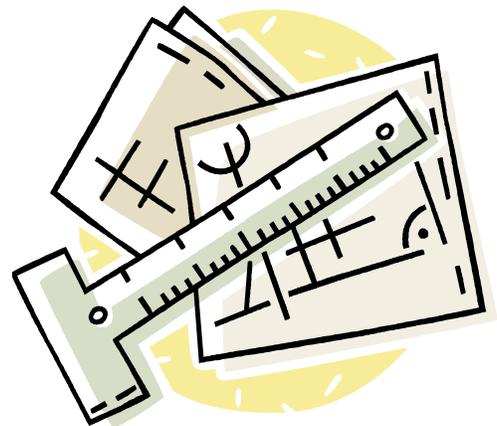
UPDATE ON THE TRANSFORMATION OF EMPLOYMENT SERVICES UNDER EMPLOYMENT ONTARIO

As mentioned **in CLO's January 2010 Members E**-Communiqué, on January 20th all Employment Ontario agencies delivering *Employment Services* (LBS is considered as Training Services) received notification from MTCU about who will be moving forward, who **is "on hold" pending f**urther research, and who will not be moving forward under the EO transformation.

During the coming weeks, **MTCU's** Regional Directors and Managers will be conducting follow-up discussions with service providers about their status and how decisions were made. Agencies not selected to move forward will have until July 31, 2010 (slightly more than six months notice) to wind-down their Employment Services programming.

Please click the following link on MTCU**'s** Employment Ontario Partners Gateway website for a community-by-community overview of service providers who have been invited to deliver *Employment Services* under the transformation of Employment Ontario.

Community-by-Community Employment Service Fact Sheets:
www.tcu.gov.on.ca/eng/eopg/eotransformation/factsheets.html

CLO'S CAPACITY INSTITUTE AND RESOURCE GUIDE PROJECT

To help agencies better understand and enhance their organizational capacity, CLO has undertaken a project called *Capacity Institute and Resource Guide*. In this project, CLO committed to delivering a two-day Capacity Institute in the fall of 2009. This event was held in Kingston in early November and was a great success. It featured workshops on financial management, risk management, human resources, customer service and more.

CLO also committed to conducting research about organizational capacity in the literacy field and beyond. To do this, project staff has been actively researching all areas associated with organizational capacity and in addition met with a number of literacy agencies across the province through online focus groups, telephone conversations and by conducting over 25 on-site visits to various literacy agencies.

A third deliverable of **CLO's** *Capacity Institute and Resource Guide* project is to research and write an organizational capacity resource guide. This guide is currently in development. Project staff are using their research findings to write a practical and useful guide about various key components in organizational capacity, i.e., financial management, human resources management, customer service and risk management. The guide will also include links to other capacity areas such as program evaluation, board governance and more.

ORGANIZATIONAL CAPACITY AND FINANCIAL MANAGEMENT

Whether your organization has a budget of $50,000, $500,000 or $5 million, good financial management is a key component of organizational capacity. If an organization is unable to account for its finances and manage them successfully, it can seriously jeopardize its very existence. For example, if an agency cannot accurately account for its revenues and expenses to a funder (or a potential funder), that funder is likely to lose faith in the organization and curtail or even withdraw support.

While accountability in terms of financial records and reporting is essential and important, **there is more to financial management than tracking the dollars and cents. It's also about** implementing good processes and controls to ensure that the organization can be **accountable. It's ab**out planning and budgeting so that the organization can establish and meet goals that are within its financial means to achieve. Financial management also means ensuring that all legal requirements relating to payroll, reporting and auditing are **met. CLO's** upcoming Organizational Capacity Resource Guide will provide examples and tools for all of these areas and more, but in the meantime, here are some useful resources you might want to check out.

➢ DAWN, the Disabled **Women's Network Ontario**, has developed a terrific Board Development Kit which includes information about the role of the Board Treasurer along with helpful descriptions and examples of budgets and balance sheets. You can find it at http://dawn.thot.net/board_treasurer.html.

➢ The Muttart Foundation includes strengthening the charitable sector as one of its goals. They have developed many useful resources including a workbook called *Financial Responsibilities of Not-for-Profit Boards*. The workbook is well laid-out and contains a wealth of information along with some helpful samples. You can download the workbook at www.muttart.org/sites/default/files/downloads/publications/financial_responsibilities.pdf. **(Be sure to check out the rest of the Foundation's website for many other** great resources!)

➢ Many community-based literacy agencies are registered charities. Imagine Canada has just launched a new website called Charity Tax Tools at http://charitytax.imaginecanada.ca. According to Imagine **Canada, this site "w**ill provide Canadian charities with timely information and tools to ensure they have the resources to meet Canada Revenue Agency (CRA) requirements." The Charity Tax Tools site features tips on charitable receipting, legislative requirements and more.

➢ Whether you are doing your bookkeeping in-house or contracting it out, the Certified General Accountants of Ontario can provide you with some helpful resources. For example, their comprehensive resource *Keeping the Record Straight: Introductory Accounting for Not-for-Profit Organizations* provides detailed information about a wide variety of financial details such as banking, sales tax refunds, payroll and more. You can download this publication at www.cga-ontario.org/assets/file/publication_keeping_record_straight.pdf.

COMMUNITY LITERACY OF ONTARIO

HUMAN RESOURCES MANAGEMENT

Organizational capacity is also about the people who work at our agencies both as staff and volunteers. As employers, literacy agencies have certain legal responsibilities when it comes to our human resources, but human resources management goes beyond the legal aspects. To have a healthy, vibrant organization with strong capacity requires people – people who are able to work and volunteer in a safe environment for an agency that values their efforts, recognizes their achievements and encourages their professional development. An organization that is concerned about its human resources and ongoing capacity looks after its existing employees but also looks to the future and plans accordingly. In fact, during the research phase of this project, CLO talked to many literacy agencies that were exploring options about succession planning or that were planning to do so in the near future.

Here are some helpful online resources in the area of human resource management:

➢ One source for more information about human resources management is the HR Council for the Voluntary and Non-profit Sector (http://hrcouncil.ca). Their website is chock-full of sample job descriptions, policies, sample interview questions and more. They provide information for managers, employees and board members – there is something for everyone. While you are at their site, be sure to check out the proposed HR Management Standards at www.hrcouncil.ca/resource-centre/hr-standards/home.cfm. The site also includes an HR Toolkit at http://hrcouncil.ca/hr-toolkit/home.cfm. The HR Council is currently working on a project to identify and explore the core competencies required by staff in small organizations.

➢ Imagine Canada's site includes a number of helpful human resources links, samples and templates on topics such as staff recruitment, retention and dismissal; employment legislation; policies and procedures and more. Visit http://nonprofitrisk.imaginecanada.ca/node/886 for more information.

➢ If you are like many literacy agencies, you are concerned about succession planning, and it's never too early to plan. Literacy Link South Central has developed a terrific Succession Planning Kit available at www.llsc.on.ca/resources.html. This toolkit includes many resources, including sample policies, gap analysis checklist, risk assessment tools, training and development planning, checklists for the assessment of key job requirements, documents and data. The reviews are in, and this resource is proving to be very popular.

➢ The MidNorth Network for the Coordination and Development of Adult Learning recently published the *Beginner's Guide for Program Coordinators of Smaller Literacy Agencies*. This guide contains information on topics such as common assessment, Literacy Service Planning, Employment Ontario, the Learner Satisfaction Survey and much more! See: www.nald.ca/library/learning/midnorth/beginguide/beginguide.pdf.

COMMUNITY LITERACY OF ONTARIO

RISK MANAGEMENT

Risk management is increasingly becoming an area of concern in the not-for-profit sector. Risk management incorporates a wide range of topics including financial accountability and **the health and safety of an organization's human resources and clientele. I**t also includes areas such as insurance, police checks, privacy, conflict of interest, agency reputation and more. CLO will explore these and other areas in the risk management chapter of its Organizational Capacity Resource Guide.

When an organization assesses its potential risks and makes plans to address those risks, it should not be a frightening exercise! Take the time to think about what are probable risk areas that your agency could face and how those risks might be managed. For example, when it comes to financial risk, does your agency have internal controls and processes in place to ensure that it is accountable to its funders? If you work with volunteers, do you have policies and procedures that protect the agency, the volunteers and the learners from potential risk? For example, do you require police checks? Do your volunteers and learners meet at your location or in another supervised area? Is your organization adequately protected against break-ins and the potential loss of computer or other equipment? For example, do you have off-site back-ups of all computer files and do you know how to access those back-ups? Does the Executive Director have a list of all employee login names and user passwords so that if someone is unable to come into work, password-protected information can be accessed?

Once again, here are some resources that CLO has found useful when it comes to **assessing your agency's potential risk and possible ways to address that risk.**

> ➢ [Carter's Profess](#)ional Corporation, an Ontario law firm specializing in not-for-profit and charity law, provides a number of useful resources on their website including a risk management checklist for not-for-profit agencies, available at www.carters.ca/pub/checklst/nonprofit.pdf. They also have a checklist for agencies that are registered charities at www.carters.ca/pub/checklst/charity.pdf.

> ➢ [Imagine Canada](#) is a great source of information. For example, be sure to read *"Risk Management 101"* at http://nonprofitrisk.imaginecanada.ca/node/667. Scroll to the end of the page for a list of other helpful links.

> ➢ Check out the Insurance Bureau of Canada's *Getting Started Managing Your Risk* at www.ibc.ca/en/Business_Insurance/documents/brochures/RM_Getting%20started_Process.pdf.

> ➢ Be sure to visit the [Education Safety Association of Ontario](#) for workplace health and safety checklists at www.esao.on.ca/downloads/checklists.aspx.

> ➢ Chartered Accounts of Canada has produced a series of *"20 Questions"* documents on a number of risk management topics that are available for purchase or download at www.rmgb.ca/abstracts-directors-series/index.aspx#20.

COMMUNITY LITERACY
OF ONTARIO

PROGRAM EVALUATION

Program evaluation is an important component of agency capacity. Program evaluation helps you to gather and assess information on key areas of program success and areas where improvements are needed. Done properly, evaluation can tell you and your funders, learners, volunteers and the general public what they want to know: what was the impact of your program and what differences do you make in your community.

Here are some helpful online resources related to program evaluation:

➢ Community Literacy of Ontario developed an online self-study module on Program Evaluation for our *Literacy Basics* training website (www.nald.ca/literacybasics). Topics covered include: Overview of Outcomes-Based Program Evaluation; Who is Responsible?; Definitions and Terms; From Planning to Doing; Choosing Outcomes; Choosing Indicators; Collecting Data; and Analyzing and Reporting Your Findings.

➢ A highly recommended resource is *"Measuring Program Outcomes: A Practical Approach"* from the United Way. This resource is not online, but the table of contents, along with some excerpts, can be viewed at www.liveunited.org/Outcomes/Resources/MPO. Contact your local United Way to order the complete guide.

➢ Well-known expert in program evaluation, Carter McNamara, has written a helpful guide called "*Basic Guide to Outcomes-Based Evaluation for Nonprofit Organizations with Very Limited Resources".* Click on www.managementhelp.org/evaluatn/outcomes.htm to access the guide.

➢ **Carter McNamara has also written "***Basic Guide to Program Evaluation"***.** This resource includes information on the basic ingredients of program evaluation, planning for evaluation, types of program evaluation, and information on data collection, reporting and analysis. Click on www.managementhelp.org/evaluatn/fnl_eval.htm to access the guide.

➢ You can find a practical 50-**page "***Monitoring and Evaluation Toolkit"* written by Janet Shapiro of Civicus. This kit includes basic principles, best practices, resources, and a glossary of terms. To see the toolkit, just click on www.civicus.org/new/media/Monitoring%20and%20Evaluation.pdf.

➢ CLO also wrote a useful resource guide called *SmartSteps to Organizational Excellence*. This guide includes **two chapters about evaluation: "P**rogram Evaluation: Making it Work**"** and **"**Organizational Outcomes: A Practical Approach**"**. You can access this guide online at www.nald.ca/clo/resource/smartsteps/cover.htm.

COMMUNITY LITERACY
OF ONTARIO

BOARD GOVERNANCE

Another critical area of organizational capacity is board governance since all community literacy agencies are governed by a board of directors – either directly (as in 89% of the cases) or indirectly if they are part of a multiservice agency (as in 11% of the cases). In adult literacy programs, effective board governance is critical to our success!

An effective board of directors closely links a non-profit organization to its community and provides critical oversight of agency operations. The board of directors is legally responsible for the governance of the organization. Within that mandate is the expectation that the board will develop, implement and monitor policies that will allow the organization to carry out its work. A board is elected by, and accountable to, its membership. While a board may appoint staff and/or committees to carry out specific work related to its policies, programs and services, the board is ultimately responsible for meeting agency outcomes.

We think you will find these Board Governance resources helpful to your literacy agency:

➢ Community Literacy of Ontario designed an online self-study module on Board Governance. This module can be found on our *Literacy Basics* website (www.nald.ca/literacybasics). **CLO's Board Governance training** module examines effective governance practices in the areas of: Board roles and responsibilities; Governance structures; Board development; Effective meetings; and Evaluation.

➢ There are many helpful resources available on the website of The Institute on Governance (IOG). For example, the IOG has a series of *E-Learning Tools* which **cover topics such as "Assess Your Board Governance"; "Governance Basics"; "Bylaws and Policies"; and "Practical Tips". You can find these resources** at www.iog.ca/boardgovernance/index.html.

➢ Imagine Canada's *Non-Profit Risk Management Centre* has compiled a variety of online articles, books and audio/visual clips on diverse topics relating to board governance available at http://nonprofitrisk.imaginecanada.ca/node/898.

➢ United Way Canada has created an online training module on *Board Development.* This website includes sections on Board Roles and Models; Governance; Finance and Human Resources; and Board Fundamentals. Please click www.boarddevelopment.org/en/1/default.aspx for more information.

➢ Volunteer BC has created a helpful online *"A-Z Directory for Board Governance"* available at www.volunteerbc.bc.ca/tools/governance.html.

➢ The Ministry of Justice and The Attorney General of Saskatchewan has an online tutorial for directors of non-profit organizations available at www.justice.gov.sk.ca/NPT/CHP2-introduction.shtml. Some of the material is specific to Saskatchewan, but it also includes general topics of interest.

COMMUNITY LITERACY
OF ONTARIO