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## PEI Third Sector Capacity: An Executive Summary

The Community Foundation of Prince Edward Island was incorporated in 1993 and has grown its portfolio to 53 funds with a total value of over \$1.4 million. It has returned \$1.2 million to the nonprofit sector (also known as the third sector) through grants and awards and has implemented capacity building and other leadership initiatives for the sector as resources have allowed. As part of its continuing efforts to strengthen third sector organizations, individually and collectively, the Community Foundation of Prince Edward Island commissioned a Building Community Capacity Study. The intent of the study was to take a look at the social and economic impacts of the sector, to identify key challenges and to determine which supports, resources and initiatives would be most beneficial for building capacity and sustainability within sector organizations. Study methodology included a review of relevant literature, review of data from selected charitable returns on the Canada Revenue Agency website, primary research with a range of third sector stakeholders and consultations with CFPEI staff and board members. The summary analysis and recommendations presented in this report are based on information and results from all of the aforementioned sources.

A Community Foundation is a charitable organization that provides financial and other supports to causes and agencies within a geographical region. Community Foundations are among the top granting organizations in almost every province in Canada. The first Community Foundation in Canada, established 90 years ago in Winnipeg, made \$21 million in grants to almost 700 charitable organizations in 2010.

### Sector Recognition

Traditionally measured in terms of the social benefits it provides for communities, there is increasing evidence that the third sector is a significant employer and economic force, provincially, nationally and globally. During the past 20 years, international projects such as the *John Hopkins University Comparative Nonprofit Sector Project* and national projects such as the *National Survey of Nonprofit and Voluntary Organizations* and the *Canada Survey of Giving Volunteering and Participating* have documented the size, scope, structure, financing and roles of the sector. The national umbrella group for supporting and strengthening Canada's charities and nonprofits, Imagine Canada, continues to engage in ongoing research that confirms the significant contribution of the sector as well as the range of issues and challenges that the sector faces.

Within Atlantic Canada, the provincial governments of New Brunswick, Nova Scotia and Newfoundland and Labrador have ministerial responsibility for the nonprofit and voluntary sector that helps to ensure policy, promotion and other supports for the sector. Government stakeholders in Prince Edward Island recognize the importance of third sector organizations and consider them valuable partners in service



delivery, but this recognition is not supported through formal policies or a designated bureaucratic structure such as a Third Sector Secretariat.

## Sector Impacts

The Prince Edward Island third sector includes a wide range of organizations established to meet the needs of individuals and communities. Some of the metrics of **Prince Edward Island's third sector** include:

- **943 nonprofit organizations.**
- **\$230 million in revenues in 2003.**
- **6,172 Islanders employed.**
- **53,621 volunteers.**
- **56% volunteer rate** (3<sup>rd</sup> highest in the country).
- **89% donor rate** (2<sup>nd</sup> highest in the country).

The number of third sector organizations and third sector employees are greater than those for the aerospace, bioscience and information technology sectors combined. Third sector revenues are also greater than those from either fish landings or potato gate receipts.

Additional indicators on the contributions Prince Edward Island's third sector organizations make to the province were developed by compiling and analyzing information from a small sample (35) of organizations. This analysis estimated based on a three year average:

- **\$357,426 annual revenue per organization.**
- **\$328,366 annual expenditures per organization.**
- **5,417 annual paid staff hours per organization.**
- **2,917 annual volunteer hours per organization.**
- **987 clients served per organization annually.**

In many cases third sector organizations provide services and supports that would need to be delivered by government if they did not exist. The achievements of Prince Edward Island third sector organizations are many and cross many different disciplines. They bring communities together to work on common purposes, they provide much needed social services such as life skills training, respite care and terminal illness support, they educate, they employ, they promote and support health and wellness, and they advocate for causes that are important but may not otherwise have a voice.

## Sector Challenges

Despite the social and economic benefits that the third sector contributes, it is facing significant challenges that have the potential to seriously erode the health and sustainability of the sector if not addressed. Many of these challenges are a result of trends such as increasing government restraint and shifting priorities, a declining volunteer base, increased demand for services, and the changing fundraising landscape (more competitive, use of debit and credit cards, high profile emergency causes, trust and transparency issues and use of social media).



The most significant challenges for Prince Edward Island third sector organizations include:

**Accessing funding** – Accessing operational funding is the most difficult but access to project or program specific funding is also of concern. Access to funding encompasses more than just a source; it includes knowing where to look for funding, having the resources to apply, and receiving sufficient and stable funding.

Funding for the community nonprofit sector is not an expenditure: **it's an investment** with dividends just like an investment in the business sector.

New Brunswick Blueprint For Action  
Building A Foundation for Self-Sufficiency

**Recruiting volunteers** – The numbers and types of volunteers available to third sector organizations are changing. A smaller number of dedicated volunteers is being spread increasingly thin and newer volunteers have different expectations of the volunteer experience.

**Promoting and increasing awareness of organizations and the sector** – Promotion and awareness are critical in attracting volunteers and donors. Organizations are limited in their resources to promote themselves individually and there is no one voice with the resources to maintain a high profile presence for the sector.

**Accessing affordable, flexible and coordinated training and professional development opportunities** – In addition to constraints around the amount of funding, many organizations experience restrictions on how their funding can be used, for example it may support training for certain staff positions but not others. Employees and volunteers may not be available for training at the same time and often have different training needs.

Training for staff and volunteers supports organizational strategy, increases effectiveness and accountability, and helps to attract and retain good people

**Support in addressing these challenges is key to ensuring that Prince Edward Island's third sector continues to enhance the quality of life in the province for future generations. The necessary supports cannot and should not come from just one organization but from the coordinated and planned efforts of public, private and third sector stakeholders working together.**



## Recommendations

It is recommended that strategies and initiatives in the following five priority areas be considered. The areas are not mutually exclusive and actions and achievements in one area will help to effect positive outcomes in the others.

- 1. Recognized Strategic Sector** - characterized by public recognition by government, a high public profile of sector stories and achievements, support for organizational public relations strategy development and greater emphasis on the sector within the educational system.
- 2. Sustained and Accessible Funding** – characterized by access to and awareness of long-term operational funds, increased access to and awareness of project/program specific funds, streamlined submission and reporting processes and collaborative efforts to increase access to national and international funding programs.
- 3. Engaged Voluntarism** – characterized by volunteer recruitment and retention planning and best practices and more involvement of youth and immigrants in the volunteer network.
- 4. Enhanced Effectiveness and Accountability** – characterized by access to capacity building resources and low cost relevant training opportunities.
- 5. Strengthened Collaborations and Partnerships** – characterized by strong commitment by government, more effective collaborations within the third sector and new and enhanced relationships with the private sector.

PEI's third sector is a vital part of Island society and of the provincial economy and is deserving of increased support and recognition. To this end, the Community Foundation of Prince Edward Island will open up discussions with all levels of government and third sector organizations and stakeholders to share the findings presented in this report and to receive their feedback. It is expected that the dialogue will also identify potential partners and collaborations with which the Community Foundation of Prince Edward Island can explore recommended strategies and initiatives.



## 1.0 Introduction

### 1.1 Community Foundation of PEI

The Community Foundation of Prince Edward Island (CFPEI) was incorporated in 1993 and is the only Community Foundation (CF) in the province. It is part of a network of Community Foundation across Canada that fulfills three main functions:

1. Endowment Building/Donor Service - The charitable gifts of many donors are pooled to create permanent, income-bearing endowment funds, which form revenue sources that are available to benefit the community in perpetuity.
2. Grant Making - The income earned by invested funds is used to provide grants to a wide range of charitable organizations. CFs add value by supporting projects that strengthen the quality of life in communities.
3. Leadership – CFs take a leadership role in bringing together a broad range of stakeholders within communities to address mutual issues of concern. CFs serve as a repository of best practices which can be shared for the benefit of the many.

To date, CFPEI has been most active in the endowment building/donor service and grant making areas, taking on specific projects as opportunities arise. Its portfolio has grown to include 53 funds with a total value of over \$1.4 million. These funds support projects in the areas of education, athletics, environment, communities, arts and culture and many others. Over the past 15 years, CFPEI has returned **\$1.2 million** to the Island nonprofit community through awards and grants. (The nonprofit sector is also known as the third sector and the two terms will be used interchangeably throughout this document.)

Two of CFPEI's larger leadership projects that helped to improve the capacity of third sector organizations included the PEI Arts and Heritage Stabilization Fund and a three-year program that provided capacity building grants directly to third sector organizations and workshops on Proposal Writing and Fund Raising. The PEI Arts and Heritage Stabilization Fund leveraged \$600,000 from off-Island sources and benefitted 10 PEI arts organizations. The three-year program resulted from a matching challenge of \$100,000 issued by a donor and benefitted 65 third sector organizations from across the province.



Seeing an opportunity to connect United States citizens who summer on PEI with the communities they stay in, CFPEI initiated an annual U.S. Citizens Day Celebration. US citizens have made a number of



financial contributions to CFPEI that go to Island residents and communities through grants and awards. Another example of CFPEI *“linking those who can with those that need”* was the initiation of the Summer Lecture Series which attracted and leveraged donations from individuals who do not live here year round but who are interested in making a difference to the future development of the Province. CFPEI also extends its expertise to other third sector organizations directly as it did when it provided assistance on an evaluation of Queen Elizabeth Hospital Fund development activities.

CFPEI is currently partnering with the Community Legal Information Association (CLIA) to support the delivery of four one- day symposia to seniors in Charlottetown, Summerside, Montague and the Wellington/Abrams Village area. Sessions will be led by professionals in the fields of financial planning, abuse prevention, legal concerns and health care decisions. Another new CFPEI leadership initiative is the establishment of a Youth in Philanthropy program that works to address a key issue faced by many nonprofit organizations - a declining and ageing volunteer and donor base.

## 1.2 Building Community Capacity Study

CFPEI has reached a stage in its development when like other Community Foundations across Canada, it is ready to move beyond endowment and grant making to take a larger leadership role in the third sector. Third sector organizations provide important services and supports to communities but also struggle with fiscal stability, limited resources and a declining volunteer base. Positive actions can be taken to assist third sector organizations improve their planning and decision making capacity, use limited resources more effectively, and create a higher and more positive profile in the community, resulting in the attraction of more donors and volunteers.

The Community Foundation of PEI commissioned this Building Community Capacity Study to improve its ability to provide leadership and to effect positive change and practices in PEI's third sector. By necessity, third sector efforts are often focused on meeting immediate needs and causes. With the results from this study, CFPEI will be better positioned to help communities and organizations build resources to meet future anticipated and unanticipated needs. It is expected that outcomes from this Community Foundation of PEI initiative will include:

- New capacity for collective thinking, planning and action amongst community organizations.
- Stronger, more financially stable community organizations.
- Enhanced governance processes and procedures within community organizations.
- Attraction of new human resources and their ideas (retirees, youth, etc.) to sustain and revitalize community organizations into the future.
- Increased opportunities for information sharing and learning amongst community organizations.



While CFPEI is committed to providing leadership and facilitating support to the sector, **it is important to note that developing capacity within PEI's third sector is not a job for one organization alone.** It will require a concerted effort from all stakeholders – third sector organizations, government, and individual Islanders to achieve the financial, policy and program supports the sector needs to continue to sustain and enhance Island communities in the future.

This report presents the summary analysis and recommendations of the Building Community Capacity Study. A mixed methodology approach involving literature review, primary research with third sector organizations and stakeholders, analysis of charitable organization annual returns available through the Canada Revenue Agency (CRA) website, and in-person consultations with the Community Foundation Board of Directors and Project Steering Committee was used to complete the study.

Report contents draw on all the research conducted. Section 2.0 includes an explanation of what the third sector is and a brief summary of how it has gained recognition for its considerable impacts in countries around the globe. Section 3.0 provides a profile of the third sector regionally and in PEI and Section 4.0 presents a high level economic indicator analysis of the sector. Section 5.0 details some of its most significant challenges and Section 6.0 provides recommendations on priority areas in which strategies and initiatives can be implemented to build third sector capacity in PEI. Section 7.0 concludes the document. More detailed information on research results is included in Appendices A to E.



## 2.0 Overview – Recognition of the Third Sector

### 2.1 What is the Third Sector?

The third sector can be defined as all those organizations that are not-for-profit and non-government, together with the activities of volunteering and giving which sustain them.<sup>1</sup> Other terms used to describe this set of organizations include nonprofit sector, voluntary sector, charitable sector, community based organizations and/or civil society. Organizations within the third sector may vary from one another in terms of their size, activities, financial resources, and other characteristics but they differ significantly as a group from for-profit businesses and from government departments and agencies. Despite their presence in almost every country in the world, the economic benefits and impacts, exclusive of the significant social benefits, that the third sector contributes to society are typically not part of economic development and planning discussions.

### 2.2 International Recognition

Internationally, one of the largest projects to document the value and impact of the third sector was the *John Hopkins Comparative Nonprofit Sector Project*, which began in 1990 to systematically analyze the size, scope, structure, financing and roles of the nonprofit sector in countries around the world. Based on data from 26 countries, the John Hopkins Project found that:

- The nonprofit sector is a major economic force in the world.
- Nonprofit organizations are not restricted to any one country or region: they are present in virtually every part of the world.
- On average, two-thirds of all nonprofit paid employment is concentrated in the three traditional fields of: education, health and social services. But this pattern varies by country and region.
- On average, volunteers account for 2.4% of total nonagricultural labour, or over one-third of nonprofit labour.
- Fees and charges, not philanthropy, are the major source of nonprofit income, followed closely by government funding.
- Nonprofit organizations have been an important source of employment growth in recent years.

**2011 is Europe's Year of Volunteering** and the International Labour organization (ILO) is scheduled to release the first official manual on the Measurement of Volunteer Work.

More recent evidence of the importance of the third sector as an employer can be found in the United States where the charity sector has begun to recognize that, far from being “non” profits, they are now, quite often, the major employer in communities leveled by the country's economic downturn. America's

<sup>1</sup> <http://www.anztsr.org.au/third1.htm>



charitable organizations and the communities they do business in have begun to develop a clearer accounting of the economic role they currently play. Perhaps more importantly, some are also beginning to explore the role charities could play if viewed and subsequently supported as economic contributors on par with traditional businesses.<sup>2</sup>

## 2.3 Recognition in Canada

Many third sector organizations in Canada were struggling in the mid 1990's. In 1995 a group of 12 national umbrella organizations came together as a Voluntary Sector Roundtable to strengthen the voice of the sector. This started a series of events that culminated in June 2000 with a five year funding commitment from the federal government for the Voluntary Sector Initiative (VSI). The purpose of the VSI was to help the Government of Canada build a relationship with the sector, strengthen capacity within the sector and improve the regulatory framework. One of the programs implemented through the VSI was the Canada Volunteerism Initiative (CVI) which worked to improve the ability of organizations to benefit from the contribution of volunteers, to encourage Canadians to participate in voluntary organizations and to enhance the experience of volunteering. The CVI established three national centres and 13 local networks, one in each province and territory to help realize its goals. Government did not renew funding for the CVI for a second five year term.

Voluntary Sector Task Force responsibilities were transferred to the Department of Canadian Heritage in 2003 and in 2004, the nonprofit, voluntary and charitable sector in Canada was profiled for the first time in the report, *Cornerstones of Community: Highlights of the National Survey of Nonprofit and Voluntary Organizations*.

Also in 2003, the directors of two of Canada's leading charitable umbrella organisations at the time, the Canadian Centre for Philanthropy (CCP) and the Coalition of National Voluntary Organizations (NVO), realized the sector was changing and initiated discussions on how Canada's charities and nonprofits could benefit from one unified organization. After an extensive consultative process, Imagine Canada was launched in January 2005.

Canadians volunteered almost 2.1 billion hours in 2007 – the equivalent of close to 1.1 million full-time jobs.

Caring Canadians, Involved Canadians:  
Highlights from the 2007 Canada Survey of  
Giving, Volunteering and Participating

Imagine Canada is a national charitable organization whose cause is to support and strengthen Canada's charities and nonprofits. It is supported by the Government of Canada and other donors. In 2009 the organization launched the *Sector Monitor* survey program to receive regular information on the state of charities across the country and their ability to deliver their missions. The organization is also serving as a convenor for the *National Engagement Strategy* consultations which will result in the identification of

<sup>2</sup> <http://www.prairiefirenewspaper.com/2009/11/sonnys-corner>



actions that must be taken to maximize the contributions of the sector to Canada and the world over the next decade. The strategy is due to be released in 2011.

Despite a national umbrella group and sharing of increased research and data collection results that show how valuable the third sector is to the overall quality of life in Canada at the personal and community level, third sector organizations continue to struggle. Efforts have been made and continue to be made by government to help respond to third sector needs, but the inherent nature of change within the political arena has meant that the sustained programming and support capable of achieving long-term positive results has been difficult to achieve.

## 2.4 Recognition in Atlantic Canada

Historically, the Atlantic Provinces have had large rural populations. While the third sector provides social and economic benefits to urban and rural residents alike, in rural areas, voluntary and nonprofit organizations deliver a lot of the services that keep people in their communities. There is growing recognition that supporting the third sector with government policies and initiatives makes sense for the long-term sustainability of communities in the region. In recent years, the governments of New Brunswick, Nova Scotia and Newfoundland and Labrador have put formal structures in place to strengthen and support the third sector as highlighted below.

**In New Brunswick (NB)** there is ministerial responsibility for Community Nonprofit Organizations through the Community Nonprofit Organizations Secretariat. The Secretariat fulfills its mandate by:

- Acting as the point of contact between the Community Nonprofit Sector and the Government of New Brunswick.
- Coordinating a collaborative and proactive approach to policy development pertaining to the Community Nonprofit Sector.
- Providing access to support services and resources for the Community Nonprofit Sector.
- Promoting the allocation of sustainable funding by provincial departments to Community Nonprofit Organizations.
- Promoting respectful partnerships between the Provincial Government and within the Community Nonprofit Sector.
- Fostering a culture of volunteering in New Brunswick.
- Facilitating the development of sustainable networks.

Funding for the community nonprofit sector is not an expenditure: **it's an investment** with dividends just like an investment in the business sector.

New Brunswick Blueprint For Action  
Building A Foundation for Self-Sufficiency

The Secretariat resulted from a process that began in 2006 with the formation of the Community Nonprofit Task Force by the then Premier of the Province who expressed the hope that the nonprofit



sector would become the Third Pillar of New Brunswick society along with government and business. After seven months of consultations with the sector across the province, the Task Force prepared its report, *Blueprint for Action: Building a Foundation for Self Sufficiency. Delivering on the Blueprint*, the government's response to the Task Force report and the guiding document for the Secretariat detailed a new partnership between government and community nonprofit organizations to accomplish the "mutual goal of creating a province that is more just, compassionate and progressive".

**In Newfoundland and Labrador (NL)** the Voluntary and Nonprofit Secretariat (VNPS) is a policy office within Executive Council that is mandated to enhance and support the contribution of the voluntary, nonprofit sector to the well being of communities in the Province by:

- Strengthening the relationship and improving collaboration between the provincial government and the voluntary and nonprofit sector.
- Enhancing the ability of the voluntary and nonprofit sector to meet changing community needs.
- Promoting volunteerism and social enterprise.
- Facilitating the development of provincial government programs and policies which support the voluntary and nonprofit sector.
- Fostering innovative and creative collaborative approaches.

The Secretariat recognizes that access to reliable and stable funding as well as training for staff and volunteers are key ingredients in supporting the development of strong, vibrant and sustainable organizations. The Secretariat does not offer funding programs of its own but connects sector organizations with NL government and other funding opportunities.

**In Nova Scotia (NS)** the Minister of Labour and Workforce Development and Minister of Education is responsible for the Voluntary Sector. A Community Volunteer Advisory Council was formed in 2008 to provide understanding into the voluntary sector and in December of that year, the Government of NS and the nonprofit /voluntary sector signed a collaboration agreement. This agreement signaled the commitment of government to create collaborative ways to work together on issues, policies and programs that will ensure positive outcomes for the nonprofit voluntary sector and volunteers.

The Nova Scotia Government recently established the Voluntary Sector Division within the Nova Scotia Department of Labour and Workforce Development in response to the demand for a unified voice for the

The first ever comprehensive study on the labour force of the Nova Scotia voluntary and nonprofit labour force was conducted in 2010. It found that this labour force is better educated than the national average but the salaries are noticeably lower and there is a high turnover rate. Because **the health of nonprofits is directly linked to the health of communities**, concern is not only to address the current realities but how we'll compete in the future when the workforce is smaller.



voluntary sector and enhanced training and skills support. Additional support to the voluntary sector is being provided through the \$800,000 Voluntary Sector Professional Improvement Initiative which will help nonprofit and voluntary organizations better address their human resource needs. Funding for the initiative came from the Government of Canada's Community Development Trust Fund.

**In Prince Edward Island (PEI)** there is no ministerial responsibility or secretariat specific to the third sector. Individual departments provide funding to eligible applicants and collaborate with community partners (third sector organizations) to extend services to PEI residents based on the mandate and resources of the particular department. Government stakeholders consulted during this study acknowledged the critical role nonprofit organizations play in helping government do more by delivering programs and services more effectively and efficiently than government can.

The *Rural Action Plan*, launched by the Government of Prince Edward Island in 2009, outlines goals and specific actions to help strengthen and sustain PEI's rural communities. Initiatives such as Creating Community Economic Development Investment Funds, Creating Rural Action Centres, the Community Internship Program, the Community Leadership Development Program, the Leadership at Work Program and the Rural Development Conference on Youth may be relevant to addressing not only rural challenges but also those experienced by third sector organizations. However, many of these initiatives are still in the planning stages and it is not clear exactly how they will meet the broad range of needs and challenges within third sector organizations. Additionally, by virtue of the rural mandate they will not be available to support all third sector groups. **Compared to the other Atlantic Provinces, PEI could do more to recognize the value of the sector and to coordinate actions to build the sustainability of the sector.**

Government stakeholders consulted during this study acknowledged the critical role nonprofit organizations play in **helping government do more** by delivering programs and services more effectively and efficiently than government can.



## 3.0 Profile of PEI's Third Sector

Prince Edward Island has developed many formal and informal organizations to meet the needs of individuals and communities. Oriented more toward social values and goals than towards making a profit for shareholders, these successful initiatives are an expression of the strong commitment of Islanders to helping others and improving overall quality of life. These organizations have both social and economic impacts. The third sector assists in saving money by reducing costs related to illness, poverty, lack of education and crime by providing support to individuals through research, education and other services. In many cases third sector organizations provide services to individuals and communities that would have to be delivered by government if these organizations did not exist. The third sector also provides employment experience for many students and others through both volunteer positions and paid internships. Sections 3.0 and 4.0 present information on the breadth and depth of the sector and what the third sector means to PEI in high level economic terms.

### 3.1 A Snapshot of the Regional Third Sector

Publicly available statistical data on which to base a profile of PEI's third sector is limited. Additionally, information on a specific aspect such as revenues may be available for a certain year but the information on number of paid employees or volunteers is from a different year making it difficult to develop a cohesive picture. The most comprehensive profile of the third sector in Canada was developed from the National Survey of Nonprofit and Voluntary Organizations (NSNVO) conducted in 2003. Reports highlighting key characteristics of the sector in specific regions of the country including Atlantic Canada were also prepared from the 2003 survey results. Some of the key findings from the Atlantic Canada regional report<sup>3</sup> that illustrate the size and impact of the sector include:

- 13,000 incorporated organizations and registered charities.
- \$5.7 billion in combined annual revenues (percentage breakdown of sources shown in Figure 1)
- 106,000 people employed.
- 127 million unpaid volunteer hours leveraged.
- Approximately 50% of the organizations were small and lightly resourced.
- Only 4% of sector organizations had annual revenues in excess of \$1,000,000.
- 52% of the organizations had paid staff.
- 33% had four or less employees.
- 50% of volunteers were associated with: Religion, Sports and Recreation, and Environmental organizations.
- 1% of organizations were Hospitals, Universities and Colleges which accounted for 26% of total nonprofit revenues. While accounting for proportionally less revenues, other nonprofit organizations also provide critical services and supports.

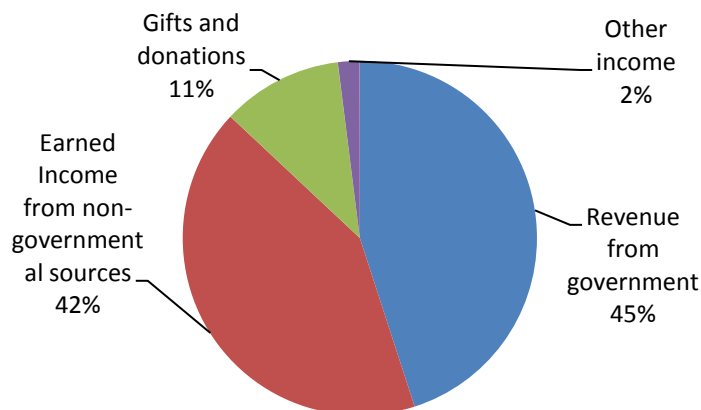
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<sup>3</sup> Rowe, Penelope M., *The Nonprofit and Voluntary Sector in Atlantic Canada, Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations*, 2006



- Less than 1/5 of all organizations received more than half of their revenue from government sources.

Figure 1 - Percentage Breakdown of Sources of Revenue for Atlantic Canada Nonprofit and Voluntary Organizations



Source: The Nonprofit and Voluntary Sector in Atlantic Canada: Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations

## 3.2 A Snapshot of the Prince Edward Island Third Sector

Some information specific to the Prince Edward Island nonprofit sector was available from a fact sheet prepared by the Social Economy and Sustainability Research Network. The bolded statistics about PEI's third sector shown below were drawn from the fact sheet. The comparative information on other PEI economic sectors was drawn from the Government of PEI publication, *Island Prosperity: A Focus for Change* released in 2008.

- **943 nonprofit organizations.** This is more than the number of organizations involved in the aerospace (11), bioscience (42) and IT sectors (100) combined and more than half the number of farming operations in the province (1,700).
- **\$230 million in revenues** in 2003. As a comparison, the PEI bioscience sector has sales in the range of \$60 billion, and annual revenues from fish landings and potato gate receipts are approximately \$100 million and \$200 million respectively.
- **6,172 Islanders employed.** This is more than the numbers employed in the aerospace (850), bioscience (700) and IT sectors (1,200) combined and is also greater than the approximately 4,000 individuals involved in lobster fishing and fish processing.
- **53,621 volunteers.** This is more than 1/3<sup>rd</sup> of PEI's total population.

### 3.2.1 Key Characteristics of PEI Third Sector Organizations by Average per Organization

As part of this study, a high level economic indicator analysis was conducted to help quantify key characteristics of third sector organizations. The analysis is presented in full in Section 4.0. While the



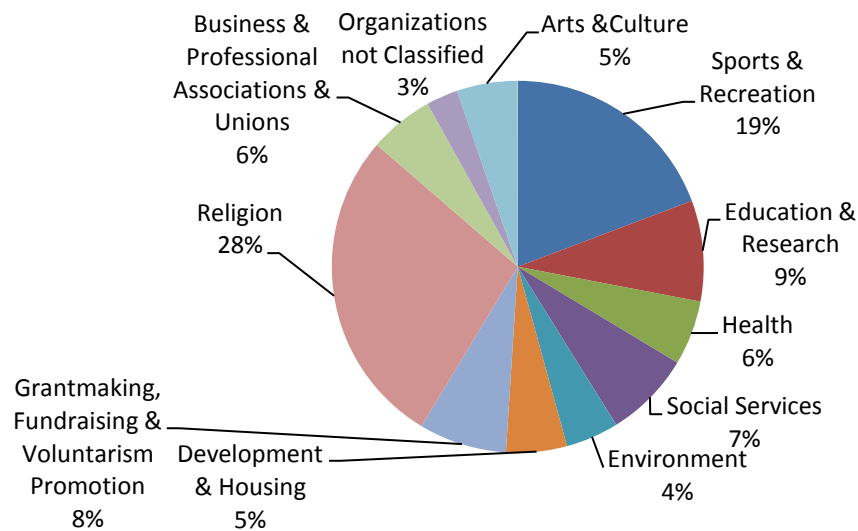
sample size was small and not all categories of third sector organizations were represented in the sample, it does provide additional information on the organizations as summarized below:

- Three year average annual revenue per organization - \$357,246
- Three year average annual expenditures per organization - \$328,366
- Three year average annual paid staff hours per organization - 5,417
- Three year average annual volunteer hours per organization - 2,917
- Three year average annual number of clients served per organization – 987

### 3.2.2 Scope of Sector Activities

A breakdown of the types of activities in which PEI's 943 PEI nonprofit organizations are involved is shown in Figure 2:

Figure 2 – Percentage Breakdown of PEI Nonprofit Organizations by Category



Source: Prince Edward Island: Non-Profit and Co-operative Sector Fact Sheet, SESRN

A sample of the scope of activities within PEI's third sector is illustrated by the 613 organizations listed in the 2010 Directory of Self-Help Groups and Community Resources in Prince Edward Island published by the Canadian Mental Health Association (CMHA) PEI Division and the PEI Department of Health and summarized in Figure 3.



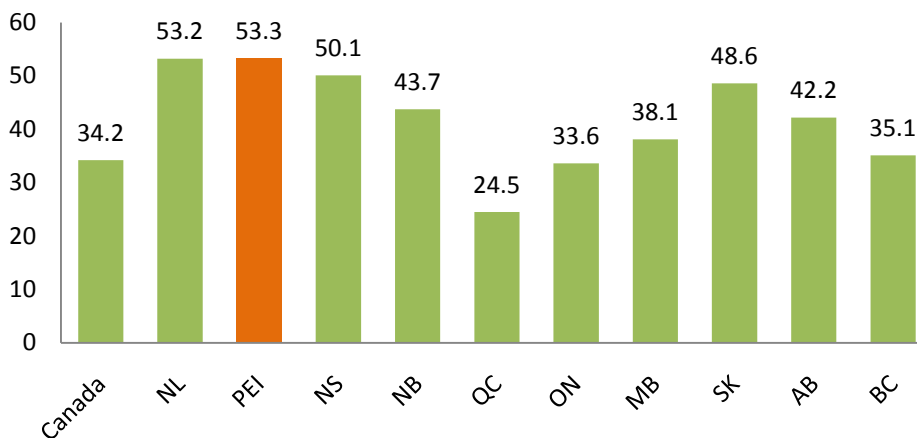
Figure 3 - Number of Self-Help and Community Resources Listed in the 2010 CMHA Directory

48 Self Help Groups	31 Groups Led by Professionals	534 Community Organizations
<ul style="list-style-type: none"> <li>•Addiction (8)</li> <li>•Bereavement (6)</li> <li>•Disabilities (6)</li> <li>•Domestic Violence and Sexual Assault (2)</li> <li>•Family and Parenting (1)</li> <li>•Mental Health (4)</li> <li>•Physical Health (19)</li> <li>•Seniors (1)</li> <li>•Sexuality(1)</li> </ul>	<ul style="list-style-type: none"> <li>•Children/Youth Families (11)</li> <li>•Complementary Medicine (2)</li> <li>•Counselling (4)</li> <li>•Disability (6)</li> <li>•Physical Health (3)</li> <li>•Seniors (1)</li> <li>•Violence Issues (4)</li> </ul>	<ul style="list-style-type: none"> <li>•Community Resource Organizations (115)</li> <li>•Service Clubs/Associations (164)</li> <li>•Schools (83)</li> <li>•Churches(172)</li> </ul>

### 3.2.3 Volunteer Commitment

The third sector is largely reliant on volunteers and donors to achieve success. Prince Edward Island is fortunate in having one of the highest volunteer and donor rates in the country.<sup>4</sup> The PEI volunteer rate is 56%, compared to a national rate of 46%, a high of 59% in Saskatchewan and a low of 37% in Quebec. PEI's donor rate is 89%, second only to Newfoundland and Labrador (91%) and above the national average of 85%. Figure 4 shows PEI volunteer hours per capita in 2000 compared to the rest of the country.

Figure 4 - Volunteer Service Hours per Capita, 2000 (Total Volunteer Hours Divided by Population)



Source: Statistics Canada, Caring Canadian, Involved Canadians 2001

<sup>4</sup>Imagine Canada Publication. (2009) Highlights from the 2007 Canada Survey of Giving, Volunteering and Participating, *Caring Canadians, Involved Canadians*



Albert Einstein said 'The most powerful force in the Universe is compound interest'. The ability of third sector organizations to bring people together based on a common interest and to make an impact is an extremely valuable resource, one that cannot be easily duplicated by government. Mobilizations of such resources may initially result in a new community arena, a fitness program for seniors, or an adult being able to read to their child but it also creates positive outcomes at the larger societal level that generate compound interest— enhanced community development skills, reduced demand on provincial health resources and /or improved literacy rates.

### 3.3 Examples of Successes in Support Provided

Current quantitative data on PEI's third sector may be limited, but qualitative data on the achievements of organizations within the sector is not. The achievements of just a few PEI's third sector organizations profiled below illustrate the many ways that the sector is essential to Prince Edward Island. Without the third sector, PEI would be a poorer place to live and do business.

#### **Community Development Skills**

A completely volunteer group established a cooperative to raise \$150,000 to rescue and renovate a former church that had a long history and cultural importance to a rural community. The building now serves as an attractive physical focal point and gathering place and houses a Post Office. The building is self-supporting through the revenue it generates from community events attended by locals and tourists. The project had many tangible outcomes but the intangible outcomes such as community development skills are equally important and can be leveraged for other projects and/or by other groups.

#### ***Life Skills and Respite Care***

**Over 200 people of all ages with special needs are able to enjoy a fun, recreational and supportive home away from home every summer. Campers develop their own unique skills and abilities and increase their social, personal and physical independence. While their loved ones are at camp, family members and caregivers have time to regenerate from their caretaking duties and get a much needed break.**

#### **Agriculture and Leadership Skills Development**

Thousands of adults have had the opportunity to connect with youth and to communicate and demonstrate the value of rural life and agriculture. In its close to 100 years of operation, adult participants have grown their leadership skills while sharing their trade and building youth capacity. The organization is well known for fostering confident public speaking skills that have served many industry leaders well.



***Terminal Illness Support***

More than 300 individuals and their families across the province receive care and support each year from well trained volunteers in dealing with a terminal illness situation. Islanders can also access a fully coordinated bereavement program to help cope with what can be a difficult and stressful time.

The organization that makes such care and comfort available was also instrumental in making the provincial home drug program for palliative patients a reality.

**Employment and Fundraising**

Ten individuals have year round employment and several others have summer positions in three small businesses. The revenues generated by these businesses go to various charities and causes including the Queen Elizabeth Hospital which has received over \$100,000 in donations.



## 4.0 High Level Economic Indicator Analysis

As indicated in Section 3.0 current quantitative data on the economic impact of PEI's third sector is limited. As part of this study a high level economic indicator analysis was undertaken to help quantify the revenue, expenditures, employment, volunteer hours and number of clients served for the organizations within the sector. Tables 1 to 6 that follow, present the results of the analysis using an average per organization approach. Because the sample size was small and not all categories of organizations were represented in the sample, results should be interpreted with caution.

### 4.1 Methodology

Financial information was obtained from 35 organizations operating in the third sector in Prince Edward Island. Twenty-two of these organizations provided some financial information by way of the organization survey, however the completeness of the responses in the financial area was lacking: 16 organizations provided some revenue information, 15 provided some expense information, 12 provided some information on paid and volunteer hours while 15 provided some information on clients served. A number of the organizations were registered charities providing the opportunity to obtain supplemental information from the Canada Revenue Agency (CRA) website. Information for 35 of the 50 organizations originally identified by the Project Steering Committee was obtained from CRA. Where available, information was obtained for the three most recent years.

NOTE: CRA data included information on revenue and expenses and on the number of paid and volunteer staff. It did not include information on clients served or a breakdown of paid and volunteer staff's percentage of time on various activities thus calculations presented on those two areas are based solely on the organizations' responses to the survey

### 4.2 Revenue

Third sector organizations receive their revenue from various sources: membership fees, donations and gifts, government, sale of goods and services, and other sources. Examples of other sources would be investment income, fundraising initiatives, and rental fees. Average revenue by source for PEI third sector organizations is shown in Table 1.



Table 1 - Three Year Average Revenue by Source

	Three Year Average					
	Total Revenue	Membership Fees	Donations/ Gifts	Government Sources	Sale of Goods and Services	Other Sources
No. of organizations reporting revenue from source	30	14	25	21	14	25
Average revenue per organization from source	\$357,246	\$12,106	\$114,936	\$216,489	\$81,009	\$71,751
Percentage of total revenues received from source	100%	5%	33%	56%	25%	16%

Government funding is the largest source of revenue (56%), followed by donations and gifts (33%), sales of goods and services (25%), other sources (16%) and membership fees (5%).

### 4.3 Expenditures

Twenty-nine of the 35 third sector organizations reported total expenditures. The breakdown is presented in Table 2.

Table 2 - Three-Year Average Expenditures by Source

	Three Year Average						
	Total Expenditure	Program- ming	Cost of Goods/ Services for Resale	Salaries and Benefits	Rental of Bldg, Equip & Other Assets	Purchase of Bldg, Equip & Other Assets	Other Sources
No. of organizations reporting expenditure from source	29	22	1	23	19	8	26
Average expenditure per organization from source	\$328,366	\$217,588	\$14,187	\$182,879	\$23,454	\$80,039	\$156,149
Percentage of total expenditures from source	100%	56%	5%	46%	6%	16%	43%



The largest allocation of expenditures is programming (56%) followed by salaries and benefits (46%). Examples of other sources of expenditure include travel, Board costs, licenses, membership dues, and general administration and operation.

## 4.4 Employment

Table 3 presents the percentage of paid and volunteer staff time allocated to various activities for the organizations reporting.

**Table 3 - Percentage of Paid and Volunteer Staff Time by Various Activities**

	No. of Organizations Reporting	Average Total / Organization	Percentage of Time Allocated to Various Activities				
			Program or Service Delivery	Fundraising	Governance	Administrative	Other
<b>Most Recent Year</b>							
<b>Paid Staff Hours</b>	11	5,621	54%	14%	7%	21%	14%
<b>Volunteer Hours</b>	9	2,100	41%	15%	45%	10%	32%
<b>Prior Year</b>							
<b>Paid Staff Hours</b>	8	5,429	50%	18%	8%	23%	8%
<b>Volunteer Hours</b>	7	3,159	38%	14%	32%	10%	34%
<b>Two Years Prior</b>							
<b>Paid Staff Hours</b>	7	5,203	48%	18%	10%	24%	11%
<b>Volunteer Hours</b>	5	3,491	49%	15%	45%	18%	36%

Information from the CRA website for the most recent year revealed that for the 19 organizations that reported the number of full-time staff (paid and volunteer) in their organization there were 4.5 individuals per organization. While the norm would be one full-time position per organization the average increased as a result of three organizations which had 10 or more full-time positions. The information also revealed that of the 20 organizations that reported part-time staff (paid and volunteer), there were on average 29 part-time positions per organization. Again this number is high due to five organizations indicating 30 or more part-time positions. There was a lot of variance in the reporting of this number as organizations like 4-H reported all 325 volunteers who helped deliver programs to youth while organizations like United Way who utilize a number of volunteer canvassers only reported 2 part-time staff (paid and volunteer). Examples of the other category include meetings, marketing, property maintenance and proposal writing.



## 4.5 Volunteer Commitment

Based on the information reported by the organizations, the total estimated number of volunteer hours and average volunteer hours per person was calculated and averaged for a three year period.

**Table 4 - Total Estimated Volunteer Hours and Average Volunteer Hours per Person (3 year average)**

Description	Amount
Volunteer Hours per Organization (3 year average)	2,917
Estimated Number of Organizations	943
Total Estimated Volunteer Hours	2,750,417
Population of PEI (over 15 years of age)	119,200
Average Volunteer Hours per Individual (assuming all individuals age 15 and over volunteer)	23

Organizations reporting volunteer hours on average over a three-year period had 2,917 volunteer hours. Extrapolating this to the entire population of organizations would result in 2.75 million hours of volunteer service annually and an average of 23 volunteer service hours per capita (total volunteer hours divided by total population over 15 years of age).

## 4.6 Clients Served

Fifteen of the organizations reported the number of clients they serve annually. This information is summarized in Table 5.

**Table 5 - Average Number of Clients Served per Organization**

	No. of Organizations that Provided Information	No. of Clients Served	Average No. of Clients Served per Organization
Most Recent Year	15	15,558	1,037
Prior Year	15	14,550	970
Two Years Prior	11	10,478	953

Based on the average number of clients served for the last three years by the reporting organizations, each organizations provides services to approximately 987 Island residents each year.



## 4.7 Summary of Quantitative Impact

Table 6 provides the estimated total revenue, expenditure and full-time staff for PEI's third sector, extrapolated from the findings of the survey data collection and the CRA website to the greater population of third sector organizations.

**Table 6 - Estimated Total Revenue, Expenditure and Full-time Staff for PEI Third Sector**

	Calculated Three-Year Average per Organization	Estimated No. of Organizations	Estimated Total for Third Sector
<b>Revenue</b>	\$ 357,246	943	\$ 336,882,978
<b>Expenditure</b>	328,366	943	309,649,138
<b>Full-time Staff</b>	4.5	943	4,244

This extrapolation results in estimated expenditures by the third sector of \$309.6 million annually. Caution should be exercised in the interpretation of these numbers due to sample limitation, however given the 2003 results (page 11) and on average 2% inflation per year this number is not unrealistic.



## 5.0 Summary Analysis of Identified Challenges

This section details four major challenges within PEI's third sector that were consistently noted by the groups with whom primary research was conducted and also indicated by the literature review. They include: 1) access to funding, 2) volunteer recruitment, 3) promotion and awareness, and 4) training. A more detailed analysis of the feedback received including individual responses can be found in Appendix A.

### Access to operational funding is the number one challenge for third sector organizations with access to project or program specific funding a close second.

The amount of funding available to the third sector has been declining and has become unreliable over the last two decades. Today, the availability of core funding through government is limited, and the landscape for accessing project specific funding is competitive, requiring already scarce resources to be spent on proposal writing and not on planning and programming.

Aggressive fundraising by the quasi-public sector (municipalities, educational institutions, hospitals), while important, has taken away from the efforts of smaller, community-based nonprofits. Quasi-public organizations make up a very small percentage of the nonprofit sector in Atlantic Canada (less than one percent) but they account for more than one quarter of sector revenue.<sup>5</sup>

Government fiscal restraints, a Canadian philanthropy rate that is less than the global developed country average<sup>6</sup> and an increasingly competitive fundraising environment are placing significant financial pressures on third sector organizations.

Finding and accessing additional sources of government and non-governmental funding particularly for operations would be welcomed by organizations and funders alike. Part of this challenge is knowing where to look for funding

Most organizations **forecast difficulty covering expenses** at some point in the next two years. Revenues are stagnating or dropping slightly.

Imagine Canada Sector Monitor August 2010

Many social organizations reported there were **long-term deficiencies in funding and supports** that were becoming increasingly difficult for organizations to address.

Social Economy and Sustainability Research Network Working Paper 2007

When reliant on external funding sources, **reductions in government funding and an unwillingness to fund core operations** caused significant challenges.

Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations, 2006

<sup>5</sup> New Brunswick Premiers Community Nonprofit Task Force, *Blueprint for Action, Building a Foundation for Self-Sufficiency*, 2007

<sup>6</sup> Hall, Michael H., Barr, Cathy W. et al, *The Canadian Nonprofit and Voluntary Sector in Comparative Perspective*, Imagine Canada



and/or having the resources to prepare a successful application. Access to funding should not be viewed in a narrow sense but seen to include access to **sufficient** funding, to **long-term** funding, and to **stable** (predictable amounts) funding.

One of the primary outcomes when organizations have no stability in their operational funding is an inability to evaluate and plan. Vision and thinking remain focused on the short-term and on meeting immediate concerns. But it is only with evaluation and planning that organizations can put actions in place that will help their long-term sustainability and enable them to meet their core mandate.

Another significant consequence of short term funding is that third sector organizations are unable to provide their qualified staff with assurances of continued employment. Stability and predictability in third sector funding could play a role in helping the province retain more of our well-educated youth and professionals.

While access to stable funding is significant and efforts should be made to achieve improvements, it should not preclude efforts to address other challenges. In fact, strategies and initiatives to help overcome the other challenges identified will also help organizations address financial limitations/constraints by improving their overall capacity to attract people and dollars and utilize them to their fullest potential.

### **Another key challenge for PEI's third sector is volunteer recruitment.**

Volunteer recruitment is more than just having people; it means having people with the right skills and abilities at the right time for the organization. Volunteer recruitment is impacted by the same trends affecting the province as a whole – among these are an ageing population, lower birth rates, higher out migration from rural communities, increased international immigration, changing lifestyles and dual income families, negative impact of the rising cost of transportation on people with fixed incomes, increasing concern for the environment, poor literacy rates, and declines in PEI's traditional economic sectors. This means many volunteers serve multiple organizations, older volunteers are beginning to leave the sector and there are fewer people to replace them. It also means some third sector organizations are seeing an increasing demand for their services, such as in the areas of health, education, and environment.

**A smaller number of dedicated volunteers is being spread increasingly thin, and the danger of volunteer burnout is real.** Such reliance on a small minority of the population to provide the bulk of volunteer time and charitable donations may be a source of vulnerability for charitable and nonprofit organizations and the people they serve. Any decline in number among this small core group of contributors could have dramatic repercussions.

The Economic Value of Civic and Voluntary Work in Atlantic Canada, 2003 Update



Anecdotal evidence suggests that younger volunteers are looking for different things from the volunteer experience than their predecessors. They want to have clear expectations of what the demands on their time will be and the range of activities that will be expected of them. They are concerned with the increasing responsibilities of volunteers in terms of activities (and in particular, fundraising) and liabilities.

Successful people wish to be associated with successful organizations and endeavors. The trend of declining number of volunteers will result in one of the most significant impacts on the ability of third sector organizations to carry out their mandate. With fewer resources, organizations must become more like a business and plan for their recruitment needs and carefully to match these needs with the required skills.

### **Promoting and increasing awareness is also a key challenge for the sector.**

Promotion is a challenge for individual organizations and for the sector as a whole. The degree of public awareness about an organization's or a sector's achievements and activities impacts the ability to attract donations, volunteers, members, and partners. Organizations recognize the importance and value of promotion but few have the financial, human resources and/or expertise to undertake it.

Additionally, there is no one organization and/or government department or agency with a mandate to fulfill a promotional role for the whole sector. As highlighted throughout this report, there is a growing body of knowledge that the third sector fulfills a number of very important roles and is worthy of support and assistance because of both the social and the economic benefits the sector generates. The effect of not having a voice for the sector in PEI is twofold. One, existing information is not effectively disseminated and two, PEI specific research is not undertaken. This creates a significant knowledge gap within the general public and within the third sector itself.

Closing this gap is compounded by the governance structure in PEI as a whole. There are 75 municipalities in Prince Edward Island - two cities, seven towns, and 66 communities. Municipalities range in area from less than a square kilometre to almost 230 square kilometres. The combined area of all municipalities covers slightly less than 30% of the province with remaining 70% of land not incorporated. One in every five municipalities has an area of less than two square kilometres. This means there are a plethora of services amongst complex layers of community development activities.<sup>7</sup>

It is challenging to know not only who to go to for support and assistance amongst these layers, but also how best to communicate the value and contributions of the sector to key decision makers. Government representatives are clear in their recognition of the value of the sector but there is not a structured commitment within government to manage a relationship with the sector or to work with the sector to

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<sup>7</sup> Social Economy and Sustainability Research Network, *Public Policy and the Social Economy in Atlantic Canada: Prince Edward Island*, 2009



promote its profile and build sustainability as has been done with other economic sectors such as aerospace or bioscience or by other Atlantic Provinces as noted in Section 2.0

**Developing partnerships and collaborations between the third sector, government and the private sector is needed to promote the sector to donors and potential volunteers.**

### **Access to affordable, flexible and coordinated training and professional development opportunities is another challenge for the sector.**

Volunteers need training. Employees need training. While not mutually exclusive, the groups have different needs and characteristics that must be considered. Some training opportunities are available through organizations such as Profitlearn PEI and through partners on special projects and initiatives. However, well publicized, sector-wide access to a suite of relevant courses and workshops, available at low or no cost and at a variety of times and locations is not available. Training is one way to utilize scarce human resources (both paid and volunteer) to their fullest capacity. Furthermore, it can help staff and volunteers obtain the skills and credentials they need to build more transparent and accountable organizations, an issue of increasing importance to funders and donors.

The five training and development areas that were identified by PEI third sector organizations as being most helpful for ensuring their long-term sustainability are community/public relations, program planning and evaluation, proposal writing, website development and information technology (including social media). Not surprisingly, skill and expertise in these areas would better equip organizations to address the key challenge areas discussed in this section.

The challenges discussed above are not the only ones being experienced by PEI's third sector. However, support in addressing these challenges is key to building long-term capacity. Furthermore, the support to be offered must involve coordinated and planned efforts from not just one stakeholder but from public, private and third sector stakeholders working together.

PEI's third sector has been quietly going about its work of providing service and support to Islanders and of making rural and urban communities vital, safe and enjoyable places to live. It is also a proven economic resource that has not received recognition and support commensurate with its contribution. **Now is the time to make strengthening the capacity of third sector organizations a priority; a sector capable of ensuring a new generation of donors, volunteers and staff continue to give back to their communities.**



## 6.0 Recommendations

The summary analysis of challenges from primary and secondary research, sector stakeholder feedback, as well as discussions with CFPEI representatives resulted in the identification of several recommendations. The recommendations are categorized into the following **five strategic priorities**:

- **Recognized Strategic Sector**
- **Sustained and Accessible Funding**
- **Engaged Voluntarism**
- **Enhanced Effectiveness and Accountability**
- **Strengthened Collaborations and Partnerships**

Within each priority area, a number of potential strategies are provided. They are not meant to be an exhaustive list but to suggest more immediate actions for third sector stakeholders to consider. The implementation of these initiatives will complement the existing efforts of the many stakeholders who are already supporting the third sector in PEI.

### 6.1 Recognized Strategic Sector.

Third sector organizations identified promotion as a significant challenge which will become even more important as the fundraising landscape becomes increasingly competitive from multiple demands on the general public. Widespread respect for the nonprofit sector and recognition for the value of its work is needed.

Potential Strategies:

- A. Public recognition by government** of the importance of the third sector to the Prince Edward Island economy and sustainable Island communities.
- B. Establishment of a high public profile** of personal stories and benefits to Island communities and of the importance and value of donors and volunteers. Possible initiatives are as follows:
  - Sector-wide promotions sponsored by government.
  - Regular community highlights and profiles.
  - Continued organization specific campaign highlights.
  - Continued and enhanced volunteer recognition and awards.
  - Wide dissemination of research results about the sector.
  - Annual major event that recognizes and promotes the value of philanthropy and the third sector (e.g. modeled after the Junior Achievement PEI Business Hall of Fame Gala).

The Governments of the three other Atlantic Provinces have taken a lead role in recognizing and assisting the Third Sector by assigning ministerial responsibility and establishing structures and processes to support sector development.



- C. Public relations (PR)** strategy development and implementation support provided to third sector organizations. Possible initiatives are as follows:
- Dealing with the Media Workshop.
  - PR tools accessed through student engagement and competitions (e.g., high school programs, Holland College Journalism Program, UPEI Business School).
  - Low-cost training in effective use of social media.
- D.** Greater emphasis on third sector within **educational system**. Possible initiatives are as follows:
- Third sector guest speaker series.
  - Greater emphasis on social involvement criteria for student scholarships and awards.
  - Student competitions/challenges (e.g., development of marketing strategy for third sector organizations).

## 6.2 Sustained and Accessible Funding.

Greater access to funds to support operations and projects/programs is critical to supporting the third sector with its efforts to improve the quality of life in Prince Edward Island. Sufficient, predictable funding is the underpinning that helps third sector organizations achieve organizational stability while remaining focused on fulfilling their core mandate.

Potential Strategies:

- A.** Access to and awareness of long-term **operational funds**. Possible initiatives are as follows:
- Government-established trust fund for third sector organizations.
  - Individual endowment funds for third sector organizations at their local Community Foundation.
  - Grants to help third sector organizations address specific capacity building needs.
  - Unrestricted development funds to support operations of third sector organizations.
  - Other government support for operations.
- B.** Increased access to and awareness of **project/program specific funds**. Possible initiatives are as follows:
- Government project/program funding specific to third sector organizations and/or groups.
  - Growth of donor advised fund development and grant making.
  - Matching grant programs (e.g. Alberta Community Spirit Program, Heritage Canada-Canadian Cultural Investment Fund).

The Community Foundation of PEI has committed to building its endowment funds from \$1.4 million today to **\$5 million by 2015**. CFPEI will focus on both donor advised and unrestricted fund development to generate more funds for specific projects and to support operations of CFPEI and other third sector organizations.



- C. **Streamlined processes** for preparing and submitting applications and for reporting of successful projects by all funding providers.
- D. Collaborative efforts to increase access to funds from **national and international programs** that support Island communities. Possible initiatives are as follows:
  - A database of potential national and international funding programs (e.g., an initiative of the Province's Rural Action Centre and/or a partnering organization).
  - Proposal writing support (expertise and resources) for accessing funds.

### 6.3 Engaged Voluntarism.

Stakeholders must come together to support the sector in effectively attracting, recruiting, and retaining volunteers who have the right skills. Organizations must be clear in their expectations of volunteers and volunteers must be able to access training and other supports.

Potential Strategies:

- A. Support offered to third sector organizations to **recruit and retain the right volunteers**. Possible initiatives are as follows:
  - Low-cost interactive workshop in partnership with a training provider such as ProfitLearn PEI, Community Foundation of PEI (e.g., designing volunteer positions and job descriptions, developing recruitment plans, tailoring message, designing methods of recruitment).
  - Mechanism for sharing of best practices among third sector organizations (e.g. forum, networking event).
- B. More **youth** encouraged to volunteer with third sector organizations. Possible initiatives are as follows:
  - Establishment of Youth in Philanthropy (YIP) Program through the Community Foundation of PEI in partnership with PEI high schools and government.
  - Special projects such as youth competitions and school projects in third sector.
  - Continued Community Service Bursary Program.
- C. **New immigrants** incorporated into the PEI volunteer network. Newcomers develop community connections which increase retention rates and Island organizations benefit from new resources and ideas. A possible initiatives is as follows:

More than one-third of the 61.2 million Americans who volunteered in 2006 did not donate time to any charity in 2007. This **significant loss to the nonprofit sector** was attributed to poor management of volunteer recruitment and retention.

*The Corporation for National and Community Services*  
[//napagroup.com/pdf/Rethinking\\_Volunteerism.pdf](http://napagroup.com/pdf/Rethinking_Volunteerism.pdf)



- Collaboration between Immigrant Settlement Stakeholders such as the PEI Association for Newcomers to Canada, the PEI Population Secretariat and/or cultural associations and third sector organizations to develop a pilot program.

## 6.4 Enhanced Effectiveness and Accountability.

Third sector organizations are limited by financial and human resources. Yet, to attract good staff, volunteers, and donors/funding sources they must be more accountable and transparent in the use of funds raised and how they are raised. As a result of thefts and the desire of the general public that their funds are used for fundraising purposes and not for profit (e.g., professional fundraising companies), the third sector needs support in establishing effective accountability measures and in easing any public concern about transparency.

Potential Strategies:

- A.** Access to **capacity building resources** specific to third sector needs (including access to technology, financial planning and analysis, human resource planning and others). In order for these resources to be effective, there needs to be wide spread awareness among third sector organizations, mechanisms for identifying evolving needs and gaps and for implementing solutions.
- B.** **Low-cost training** in leadership and program/project evaluation made available to employees and volunteers. Possible initiatives are as follows:
  - Volunteer certification program.
  - Partnership with government subsidized training providers, such as ProfitLearn PEI.
  - Tuition grants made available to employees and volunteers.

Rural Action Centres will be client-focused, partnerships between multiple federal, provincial and non-government organizations that are **focused on business and community development services**. Rural Action Centres will offer complete and seamless access to government programs.

## 6.5 Strengthened Collaborations and Partnerships.

Fundraising is no longer about simply asking for annual donations. Fundraising is a business that takes a lot of planning and is all about the people and building the right relationships. Effective relationships are even more important today given the changing fundraising landscape and increasing competitiveness for accessing funds. It is even more important that stakeholders collaborate towards the common goal of higher quality life in Prince Edward Island.



## Possible Strategies:

### A. Strong commitment by **government**. Possible initiatives are as follows:

- Establishment of a Community Nonprofit Secretariat, with ministerial responsibility similar to that found in the other Atlantic Provinces.
- Review of the impacts of government policies and decisions on the Third Sector before implementation.
- Annual Premier's Roundtable discussion on priorities and identified gaps.
- Third sector engagement in policy development.
- Dedicated funds and promotions.
- Resources available to support the effectiveness and accountability of third sector organizations ( e.g. delivered through the Rural Action Centres).

"We are happy and honoured to work with the community non-profit sector and the many thousands of volunteers throughout New Brunswick as we make a difference together. **By working together, we can make our communities and our province the place to be for all.**"

Brian Kenny, New Brunswick Government  
<http://www.gnb.ca/cnb/Promos/CNP/index-e.asp>

### B. Relationship building **within the third sector** that results in more effective collaboration and a reduction of duplication of services. Possible initiative are as follows:

- Networking opportunities for sharing activities and ideas (e.g. all groups in a geographic community).
- Exploration of mechanisms for third sector organizations to reduce costs through use of group purchasing/shared professional service cost arrangements.

### C. Relationship building **with private sector**. Possible initiatives are as follows:

- Grants or awards to recognize charities and businesses that have worked together over time to enhance the community's quality of life.
- Increased volunteering as corporation/workplace initiatives.
- Senior-level employees share their skills with nonprofit organizations while building valuable leadership experience (e.g. Cisco's Fellows Program).



## 7.0 Next Steps

PEI's third sector is a vital part of Island society and of the provincial economy. This report identifies a number of potential strategies and initiatives that if taken will help to strengthen the sector so that it can continue to sustain PEI communities now and into the future. The task of building capacity within the sector will require collaborative efforts and ongoing dialogue and communication between sector stakeholders.

As a starting point, the Community Foundation of PEI intends to use the results of the Building Community Capacity Study presented throughout this report to open up discussions with all levels of government and with third sector organizations and stakeholders. These discussions will involve but not necessarily be limited to:

- ✓ Sharing study findings and recommendations.
- ✓ Receiving feedback and reaction.
- ✓ Identifying partners.
- ✓ Developing a plan of action for strategic priorities and initiatives.

***“Linking those who can with those that need”***



## APPENDIX A

### Summary of Primary Research Results



For the purposes of this study, the third sector was defined as all those organizations that are not-for-profit and non-government, together with the activities of volunteering and giving which sustain them. More commonly known as nonprofit organizations, the third sector and nonprofit sector are used interchangeably in this document.

## A.1 METHODOLOGY

Primary research was conducted with three separate groups – 1) PEI third sector organizations, 2) public and private sector sources of support to the sector (referred to as the other stakeholder group in the following sections) and 3) other Community Foundations in Canada.

**PEI Third Sector Organizations** - A cover letter and survey on CFPEI letterhead (included in Appendix C) and a stamped self addressed return envelope were mailed to 50 nonprofit groups selected by the CFPEI (listing included in Appendix D). The CFPEI selected survey recipients from the 2010 Directory of Self-Help Groups and Community Resources in Prince Edward Island, previous CFPEI grant recipients and the Canada Revenue Agency (CRA) list of registered PEI charities. It was found that two of the organizations no longer operate so two alternate organizations were included. The groups represented the following primary activity areas from across the province:

- Sports and Recreation
- Social Services
- Arts and Culture
- Grantmaking, Fundraising and Voluntarism Promotion
- Education and Research
- Business, Professional Associations and Unions
- Health
- Environment
- International
- Other (Primarily Youth Based Organizations)

These activity area categories align with those used in the 2006 National Survey of Nonprofit and Voluntary Organizations in Canada. Four other activity categories included in the National Survey, 1) Religion, 2) Development and Housing, 3) Law, Advocacy and Politics, and 4) Hospitals, Universities and Colleges were not represented in the survey population because these groups typically do not meet the eligibility requirements of Community Foundation grant recipients, that is, *organizations that are registered with the Canada Revenue Agency or meet their criteria as a “qualified donee”*<sup>8</sup>. It should be noted that groups such as the Queen Elizabeth Hospital Auxiliary and the Prince County Hospital Auxiliary were included in the sample population under the Grantmaking, Fundraising and Voluntarism Promotion category.

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<sup>8</sup> <http://cfpei.ca/grants2.php>

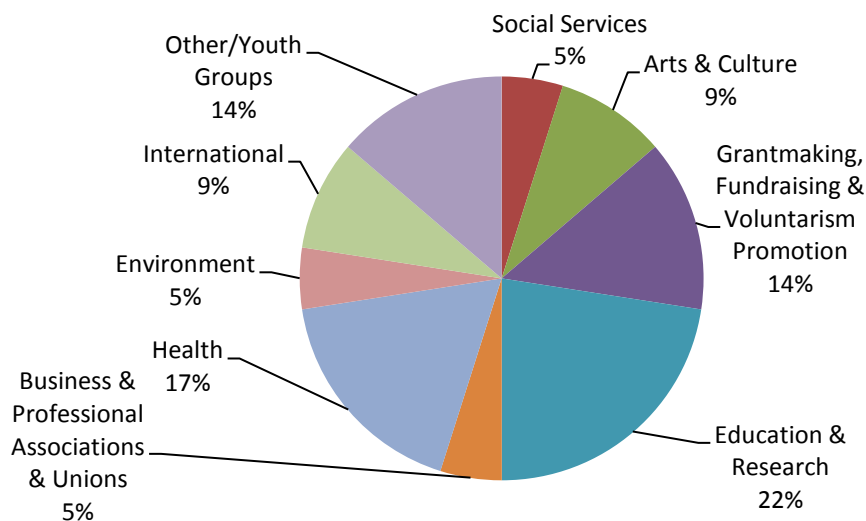


It was requested that surveys be returned within two weeks of the mail out date and surveys returned by the requested date were eligible for a prize draw. In the second week after the mail out date CFPEI sent a reminder email to the organizations and offered them a five day extension for returning the surveys. Nine surveys were received by the final return date. Follow up telephone calls were made to the 41 organizations that had not returned a survey to determine why they did not return a survey and to discuss other ways of receiving their input. Representatives of five organizations (from the categories of social services, grantmaking, education, and environment) declined to complete a survey. The reasons included:

- The organization is part of a national organization and accesses resources from its national affiliates.
- The organization is small and completely volunteer based and focused solely on its mandated activities.
- The organization does not expect to access services and support from the Community Foundation.

During the follow-up call respondents were offered the option to complete the survey by phone or to receive an electronic copy that could be emailed or faxed back. As a result of follow-up activities another 13 organizations provided input to some or all of the survey questions. Figure 3 shows the category breakdown of the 22 organizations that responded to the survey.

Figure 5 - Category Breakdown of Survey Respondent Organizations



**Public and private sector sources of support to the sector (other stakeholder group)** – Eleven individuals were identified and contacted to provide input to the study. Three individuals could not be reached; six individuals participated in an in-person interview, one through a telephone interview and one through an electronic questionnaire. The list of stakeholders consulted is included in Appendix E.



**Other community foundations** – The Winnipeg and the Newfoundland and Labrador Community Foundations were contacted and asked to share their experience of successful capacity building initiatives for the third sector and of best practices regarding Community Foundations. Winnipeg was selected because it is the largest and oldest Community Foundation in Canada. Newfoundland and Labrador was selected because it is a provincial Foundation, like PEI, and not exclusive to a particular community as are many Foundations.

## A.2 FINDINGS

### A.2.1 Challenges

Survey respondents were asked to identify their three biggest challenges. Results are shown in Table 1.

**Table 7 – Percentage of Organizations and Stakeholders Selecting Specific Items as a Top 3 Challenge**

Challenge	Organizations	Stakeholders
Securing operational funding	23%	63%
Securing project/program specific funding	22%	25%
Recruiting volunteers	9%	25%
Promotion	9%	13%
Planning for the future (e.g. financial analysis, strategic planning, business planning, identifying priorities, etc.)	9%	25%
Monitoring and evaluating organizational performance	6%	25%
Meeting funder reporting requirements	5%	0%
Training and development of volunteers	5%	25%
Training and development of staff	3%	0%
Recruiting the right type of volunteer	2%	38%
Sharing of information and resources with similar organizations (working collaboratively)	0%	13%
Retaining volunteers	0%	13%
Training and development for the Board of Directors	0%	13%
Other,(single comments received)	8%	25%

Twenty-three percent (23%) of the organizations selected *securing operational (core) funding*<sup>9</sup> and 22% selected *securing project/program specific funding* as a top three challenge. Of those respondents, 73% identified both *securing operational (core) funding* **and** *securing project/program specific funding* as two of their top three challenges.

<sup>9</sup> Some of the organizations noted that they can get operational funding but that it is not sufficient.



When responses to *recruiting volunteers* (9%) and *recruiting the right type of volunteer* (2%) are combined, volunteer recruitment was rated as a top three challenge by 11% of respondents. For organizations it is challenging enough to recruit volunteers let alone the 'right type' of volunteer. *Promotion* and *planning for the future* were both rated as a top three challenge by 9% of respondents, *monitoring and evaluating organizational performance* by 6%, *meeting funder reporting requirements* and *training and development of volunteers* by 5% each, and training and development of staff by 3%.

*Other* challenges noted with a single frequency included:

- Keeping people motivated and engaged.
- Meeting/responding to all CRA requirements.
- Enhancing website to allow clients to pay online and transfer information to a database to maintain the record of event. Revamping content management system.
- Developing membership base.
- Staying relevant and keeping distinction between auxiliary and foundation in public eye.

A majority (63%) of the other stakeholder group also identified *securing operational funding* as the biggest challenge facing third sector organizations. *Recruiting the right type of volunteers* was identified as the second biggest challenge by 38% of the other stakeholder group and when combined with responses to *recruiting volunteers* (25%), volunteer recruitment was tied with *securing operational funding* as the most significant challenge from the other stakeholder group perspective. Unlike the third sector organizations, the other stakeholder group did not see securing project/program specific funding as the second most challenge. The challenge areas selected by the third highest percentage (25%) of the other stakeholder group included: *planning for the future*, *securing project/program specific funding*, *monitoring and evaluating organizational performance* and *training and development of volunteers*. The challenge areas selected the least (13%) by the other stakeholder group included: *sharing of information and resources with similar organizations*, *retaining volunteers*, *training and development for the Board of Directors* and *promotion*.

It is interesting to note that while both groups recognized the significant challenges related to securing funding and recruiting volunteers, promotion was much more of a concern to the organizations than to the other stakeholder group, possibly because it is a challenge they struggle with on a daily basis. Developing organizational capacity type challenges were more of a concern of the other stakeholder group, possibly because they have direct experience with the benefits of working with strong organizations. While organizations also recognize the need for capacity building, they are so focused on getting resources that capacity building has to take a back seat to more pressing issues.

Two *Other* challenges noted by the other stakeholder group with a frequency of one included:

- Determining primary sector requirements
- Liability insurance



The challenges identified by the other Community Foundations included sustainability, access to operational funding and project-based funding, recruitment and retention of staff, changing demographics and out migration and reduced government support. They noted that these challenges have been ongoing for the past five years.

### A.2.2 Supports and Assistance

Over half (55%) of the third sector survey respondents reported receiving some level of assistance to help address their top three challenges. This assistance was primarily *funding support for operations*, *funding support to access training*, *funding support to contract specific expertise*, and human resource support through *wage subsidy* and *internship programs*.

The types of training and specific expertise that were accessed to help address challenges and the sources of assistance that were noted are shown below (Note: some sources of assistance supported more than one type of training or contracted expertise):

#### Types of Training/Contracted Expertise Received

- Leadership training
- How to write project/funding applications
- How to write press releases
- Bookkeeping how to's
- Proper receipting of charitable donations
- Strategic planning
- Website development
- Fundraising
- Evaluation
- Organizational and volunteer development

#### Sources of Assistance

- Province of PEI (various departments)
- Government of Canada (various departments)
- Metro Credit Union
- Rotary Club of Charlottetown
- Community Foundation of PEI
- National 4-H Council
- Atlantic Charities Learning Exchange
- United Way
- Prince County Hospital Foundation

Forty-five percent (45%) of organizations reported not receiving assistance to address their top three challenges. The reason most often cited for not receiving assistance was that existing organizational resources (volunteers, staff and/or Board members) do not have the time and/or skill sets to source funding **and** fulfill their service and program commitments. It was also noted that when funding support is available it is often linked to specific projects and outcomes with little or no allowance for organizational development activities.

In addition to those noted above, organizations provided single comments on the types of support and assistance that would be valuable to their organization. They included (in no particular order):



- Knowing what supports are available to help their organization
- Additional sources of funding and fundraising (government, service clubs, foundations, trusts, partners)
- Project funding that includes allocations for management funding
- Longer term funding commitments and knowing the amount of funding you will have for more than a one year period
- Competitive salaries
- Part- time staff to work on project planning, communication, and marketing especially in regards to website capabilities and social media initiatives
- Access to cheap/low cost services such as colour printing
- Simplification of CRA requirements
- Greater public awareness that third sector is highly regulated
- Opportunities to increase organization's profile
- Opportunities to learn from other groups experience
- Coordinated approach to volunteer training (structured, annual schedule that all organizations know about)
- Training and assistance with acquiring up to date Content Management Systems
- Speakers and workshops that travel to Board Meetings rather than volunteers having to travel to the workshop

Organizations also provided input on specific areas in which training and development would be most helpful for ensuring the long-term sustainability of their organization as shown in Table 2.

**Table 8 – Percentage of Third Sector Survey Respondents Selecting Specific Training and Development Items**

Type of Training and Development	%
Community/Public Relations	13%
Program Planning and Evaluation	13%
Proposal Writing	11%
Website Development	10%
Information Technology	10%
Business Planning	8%
Legal Issues and Liability	5%
Financial Management	4%
Team Building	4%
Human Resource Management/ Labour Laws	4%
Communication and Interpersonal Relations	4%
Conflict Management	2%



Conducting Effective Meetings	0%
Other (single comments received)	10%

Training in the areas of *Community/Public Relations* and in *Program Planning and Evaluation* was selected equally by 13% of the organizations, training in *Proposal Writing* was selected by 11% of organizations and two areas, *Website Development and Information Technology* were selected by 10% of respondents. *Business Planning* and *Legal Issues and Liability* were selected by 8% and 5% of respondents respectively.

Types of *Other* training noted with a single frequency included:

- Individual training sessions for local chapters of provincial organizations
- Volunteer management
- Record keeping i.e. how to keep and access data easily
- Fundraising
- Volunteer development
- French language training
- Member relations
- Accounting fundamentals

Fifty-eight percent (58%) of the third sector organizations who completed a survey used **internal funds** to pay for services that improve relevant knowledge and expertise within their organization. Only 4% receive core funding from an external organization that supports training and 4% access funding for specific training from external organizations. Twenty-five percent (25%) of the organizations do not receive training because they do not have the funds. Eight percent (8%) of respondent indicated they use some *other* way to pay for services that improve relevant knowledge and expertise within their organization. These *other* options included: partnering with sister organizations in other provinces and through scholarships awarded by the Status of Women Canada. One respondent indicated under *other* that training dollars from core funding can only be used for the Executive Director and outreach activities and not for administrative staff.

Based on input from public and private sector sources of support to the sector (other stakeholder group), some of the key characteristics of the service and support landscape in PEI include:

### **Provincial Government**

The Province of PEI provides operational funding support to eligible third sector organizations through a number of its departments. The funding is on a year-to-year contractual basis and amounts allocated are subject to the yearly provincial budget process. Many of the groups funded have received funding for a number of years but requests from new groups are considered. **Key factors in the evaluation of**



**new requests are whether the activity or service being proposed aligns with the department's strategic plan and whether there is overlap with or duplication of existing services.**

Government representatives also expressed a preference for negotiating and collaborating with one group that represents a community of like minded interests rather than dealing with multiple small groups. While partnerships and collaborations are a key theme in this report, research from other jurisdictions cautioned against a blanket approach to human resource sharing or mergers of small organizations. These approaches may be successful but they may also result in important minority voices being lost and/or that two or three small organizations struggling with financial sustainability and capacity issues simply become one large unsustainable organization with stressed human resources.

Organizations receiving funding must submit annual and in some cases quarterly reports to meet contractual requirements. While provincial support is primarily through direct financial contributions, other types of support and assistance are provided by having staff members sit on relevant committees, by meeting with groups on a regular basis to discuss policy and issues, exchanging documents, and providing opportunities for groups to come together on a periodic basis.

The new **Rural Action Centres** that are currently being established in the province are intended to be client-centered partnerships between multiple federal, provincial and non-government organizations that are focused on business and community development services. All services in the Rural Action Centres will be coordinated through a cooperative service model to ensure complete and seamless access to government development programs for entrepreneurs, business people and community groups.

### **Federal Government**

In general, the Government of Canada prefers to provide infrastructure and program or project specific funding and not core or operational funding. Various government departments and agencies provide funding to nonprofit groups within the parameters of specific programs and initiatives. Depending on the mandate of the department, they may also work directly with communities to improve capacity through advisory services and building synergies. Some examples of current federal government funding programs are discussed below:

The **Rural and Co-operative Secretariat Community Development Program** accepts applications for projects in three categories; partnerships, knowledge building and workshops.

The **Department of Canadian Heritage** provides the majority of its programs from the national office but also some through regional offices. The department's **Canada Cultural Investment Fund** (formerly the Canadian Arts and Heritage Sustainability Fund) has four components – endowment incentives, cultural capitals of Canada, strategic initiatives, and limited support to endangered arts organizations. The Indian



River Festival Association Inc. was able to receive an endowment incentive through the Heritage Canada, Canadian Culture Investment Fund, using the Community Foundation of PEI.

## **Private Sector**

Private sector funding contributions support both operational and program/project costs in the third sector. The private sector funder typically selects a charitable organization to support because of an interest in a particular cause or purpose.

Securing funding is clearly a significant challenge and need for third sector organizations. Because it is such a time consuming and ongoing challenge many organizations have few resources left to address other challenges. However, it is likely that third sector organizations will always operate within some level of fiscal restraint and there are other services and supports that can help third sector organizations. The other stakeholder group suggested that the following two approaches would be beneficial to organizations:

- To have a well thought out plan for volunteer recruitment and development (knowing who you need to do what, when, and for how long and being able to communicate and support the plans effectively), and
- To find ways to work collaboratively and share resources with other organizations, especially when delivering services to the same client group or when organizations are like minded.

The Community Foundations noted that obtaining greater efficiencies and developing organizational collaborations are two of the ways organizations are trying to cope with constrained financial resources. Resources will continue to be strained as demand for services provided by third sector organizations continues to increase, especially from new Canadian populations. The development of partnerships is one of the key ways government shows its support to the sector. The private sector shows its support through challenge grants, matching grants, employee deduction programs, voluntarism programs, and collaborations for fundraising events.

## **A.2.3 Sector Trends**

Third sector organizations, the other stakeholder group and community foundations had similar expectations regarding trends that will have significant impacts on third sector organizations in the next three years. The trends that are expected to have the most impacts on organizations are:

- Increased demand for services,
- Government fiscal restraint,
- Fewer and ageing volunteers, and
- The changing fundraising landscape. This trend encompasses a range of related factors including but not limited to:
  - More competition
  - Use of debit and credit cards



- Emergence of new technologies and communication models
- High profile emergency causes
- Trust and transparency issues

Additional trends noted by single comments included:

- Changes in government programs and priorities due to election cycles and other variables
- Retirement of present leadership and loss of their knowledge and expertise
- Increased growth in cultural communities
- Competition from technology and the internet for current and future programming
- Rural urban shift
- Short term funding agreements
- Lack of ministerial responsibility for the third sector within the provincial government
- Changing volunteer commitments (wanting different roles and having different expectations)
- Increasing regulations and reporting requirements and their complexity necessitating professionalization of staff -this is not recognized by regulators, donors or prospects
- The state of the economy
- Poor literacy and numeracy rates
- Collaboration of like-minded organizations

It is important to note that some of the trends such as an increase in the senior population and immigrant communities could have positive impacts for the sector by serving as a source of new volunteers, donors and ideas. Additionally, collaborations and partnerships are viewed, especially by stakeholders as an important strategy for third sector organizations to achieve organizational goals with fewer resources.

### **A.2.4 Role of Community Foundation of PEI**

Third sector organizations and the other stakeholder group were asked to rank a list of activities that the Community Foundation of PEI could potentially do to help to increase the capacity of organizations and the sector as a whole. The other Community Foundations were asked to indicate which activities they are currently involved in. Results are shown in Table 3.



**Table 9 - Potential Ways for CFPEI to Assist the Third Sector-by Percentage for Organizations and Stakeholders**

	Other CFs	Organizations	Stakeholders
	Involved	% Response in Top 3	% Response in Top 3
Attracting other donors	Winnipeg&NL	24%	11%
Improving the performance of organizations		12%	14%
Informing public and private sector stakeholders about the sector	Winnipeg&NL	12%	11%
Providing expertise in selection processes for awarding funds/projects	Winnipeg&NL	10%	4%
Recruiting and matching volunteers to organizations and causes	Yes	10%	11%
Serving as a lobbyist and advocate for the sector	Yes	10%	11%
Developing partnerships between organizations	Winnipeg&NL	8%	18%
Sharing best practices with organizations such as yours	Winnipeg&NL	6%	11%
Attracting and receiving donations from the United States	*	2%	0%
Providing opportunities for organizations to network and share information	Winnipeg&NL	2%	11%
Other(single comments received)		6%	0%

\* *Winnipeg has a separate Foundation for this*

The search for funding and financial resources (*attracting other donors*) is top of mind with the third sector organizations. The areas they noted next often as a role for CFPEI included *improving the performance of organizations* and *informing public and private sector stakeholders about the sector*. Three areas, *providing expertise in selection processes for awarding funds/projects*, *recruiting and matching volunteers to organizations and causes* and *serving as a lobbyist and advocate for the sector* were selected third most often. All of the potential roles for CFPEI that were selected most often in the top 3 relate to the top three challenges and the top 4 trends identified earlier in this report.

Those third sector organizational respondents that specified an 'other' way that CFPEI could help their organization and the sector as a whole suggested the following single occurrence comments:

- Have a strong outreach service where a CFPEI representative attends a meeting of the nonprofit group and explains what CFPEI does and can do for the organization. By attending these meetings CFPEI would get a sense of the state of such organizations, that is, are they well operating groups or are there gaps that need to be addressed. This knowledge could then help shape what CFPEI does.
- Provide cooperative style capacity resources, i.e. template library, etc.
- Become a partner with the sector; ensure the sector understands CFPEI roles and goals.



- Provide support for small projects that assist staff and office efficiency.

The other stakeholder group ranked *developing partnerships between organizations* most often in the top three. The next highest ranking was for *improving the performance of organizations*. All of the other activities that the Community Foundation of PEI could potentially do to help to increase the capacity of organizations and the sector as a whole were equally rated third with the exception of *providing expertise in selection processes for awarding funds/projects* which was ranked least.

Third sector organizations and the other stakeholder group were also asked what the Community Foundation could do to help the ability of third sector organizations to achieve goals and objectives.

The comments provided by the third sector organization respondents relate to sector challenges and trends identified in earlier responses and are categorized as such below. Some respondents noted that CFPEI could provide help in multiple areas and this is reflected in the categorizations.

## **Access to Funding**

- Assistance with seeking grant opportunities.
- Assistance with fundraising and financial concerns.
- Assistance in developing a private fund or foundation that could allow us to engage partners or individuals in addressing specific goals and projects.
- Resource development-\$.
- Link us to potential donors.
- Help with writing proposals.
- Providing project specific funds to update the website, streamline functions and create efficiency within the website -CMS would be a huge benefit. This could cost in the \$3000 range.
- Attracting other donors.
- Help us to establish goals, calculate amount of funds needed to meet those goals and to assist in setting up the fund.

## **Volunteer Recruitment**

- Assistance with volunteer recruitment, retention, resource network.
- Finding skill specific individuals to serve on our Provincial Board.

## **Promoting and Increasing Awareness**

- Assistance with promoting our services.
- Assistance with promotion.
- Provide a forum(s) for information sharing of our services.
- Informing public and private stakeholders and serving as lobbyist and advocate for the sector



### **Access to Affordable Training and Professional Development Opportunities**

- Inexpensive training sessions on volunteer recruitment, proposal writing, securing operational funding, communications and promotion.
- Assistance with volunteer training.
- Offer third sector professional development opportunities, i.e. CAGP planned giving course so more of us can become credentialed.
- Provide assistance in recruiting high profile guest speakers.
- Training workshops also allow for networking and sharing of best practices.

### **Partnerships and Collaborations**

- Help build connections between potential donors (personal and corporate) and causes. Help build volunteer connections to organizations.
- Come and speak to our organization.

Other stakeholder group single comments on what CFPEI could do to increase the long-term capacity of third sector organizations to meet community needs included:

- Focus on what the organization does best; increase funds raised particularly for unrestricted funds that could be directed to community projects.
- Avoid duplication of services and conflicts with other group's mandates.
- Communicate to the third sector what the CFPEI's mandate is and how its activities benefit the sector.
- If an organization says they are a leader or can serve the whole sector then they need to be able to show they are a place to turn when an organization needs help ,e.g. help with a dysfunctional Board – Board training and development is a big piece on its own.
- Build a land trust
- Design a career development program for youth that would provide them an opportunity to develop skills and competencies with a third sector organization.

#### **A.2.5 Awareness of CFPEI**

In general, the third sector organizations and the other stakeholders group did not have a good understanding of CFPEI. They suggested the methods listed below for increasing knowledge and awareness of the organization within the third sector. All comments received have been categorized below. Where a comment was repeated by a number of respondents the frequency of occurrence is shown in brackets.



## **Presentations on CFPEI**

- Make presentations at Board meetings, committee meetings and at AGMs about CFPEI and what strengths and services you can offer us. (9 occurrences).
- We need to understand your goals and objectives and how you are not in competition with us (3 occurrences).
- Roundtable discussions, opportunities to meet as a whole with other organizations and CFPEI together.
- Hold a series of events to inform organizations about the work of the Community Foundation, and what you have to offer.
- Getting out and talking and networking within the community.
- This is a great start-making people and associations aware of the Foundation.

## **Public Awareness Activities**

- Get in front of groups with influence such as politicians, key decision makers, Chambers of Commerce, and other groups (2 comments).
- Recognize the value and benefit our organization provides to the general public on PEI and support us in growing that vision through public awareness.
- Regularly advertise in things like Island Family magazine, Guardian special publications and feature a sponsored group that you support..
- Make it more public what CFPEI does, need to be coming up in the nonprofit community everyday-publish/distribute lists of accomplishments on a regular basis, publicize and hold open houses, send speakers around, have a wider range of things you can support, e.g. if there was a call out to the sector for projects.
- Feature story in Guardian, insert publication.
- More work on profiling CFPEI within the third sector.

## **Regular Dissemination of Information to the Sector**

- Provide information, on a bi-monthly basis, on upcoming workshops, grants and other information.
- Offer lunch and learn mini-sessions, offer on-line quarterly newsletter with valuable information.

## **Assist Organizations Address Challenges**

- Assist with promoting our services and /or fundraising and financial aspect.
- Help with things that would justify putting the Foundation's name on our brochure.



- We don't have time to seek out funding, if that is a function the CFPEI could take on that would be great.
- Have more unrestricted funds where there can be Island wide calls for proposals, when you can provide funding, nonprofit groups will notice.
- Facilitating collaboration between groups that can help advance each other's agendas, e.g. cultural and private sector interests in the cultural tourism sector.



## APPENDIX B

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## APPENDIX C

### Cover Letter and Survey



## APPENDIX D

### List of Targeted PEI Third Sector Organizations



1. Road Runners Club
2. PEI Active Living Alliance
3. Recreation PEI
4. PEI Family Violence Services
5. PEI Seniors Federation
6. Alzheimer Society
7. YMCA
8. United Way
9. Council of the Arts
10. Island Crafts Council
11. PEI Symphony
12. PEI Fiddlers Society
13. Indian River Festival
14. Native Council
15. Voluntary Resource Center
16. Women's Institute PEI
17. East Royalty Lions Club
18. Kiwanis Club
19. Kinsmen
20. Rotary Club
21. QEH Auxiliary
22. PCH Auxiliary
23. Women's Network of PEI
24. PEI Literacy Alliance
25. Early Childhood Development Association
26. Eastern School Board
27. Home and School Association
28. MADD
29. SADD C/O Highway Safety Division
30. Kids Supporting Kids
31. Canadian Parents for French PEI
32. PEI Business Women's Association
33. AIDS PEI
34. PEI Hemophilia Society
35. Osteoporosis Canada
36. Red Cross
37. Cancer Society
38. Heart and Stroke
39. Hospice Palliative Care
40. ECO-PEI



41. Farmers Helping Farmers
42. Institute for Bioregional Studies
43. Newcomers of PEI
44. PEI International Friendship
45. Girl Guides
46. Camp Gencheff
47. Boys and Girls Club
48. Adventure Group
49. Allied Youth
50. 4-H



## APPENDIX D

### List of Other Stakeholders Consulted



1. Mr. Bernard Gillis, General Manager, Metro Credit Union
2. Mr. Brian Schmeisser, Director, Rural Development, Prince Edward Island Department of Fisheries, Agriculture and Rural Development
3. Mr. John Morrison, Director, Sport and Recreation, Prince Edward Island Department of Health and Wellness
4. Dr. Sandy MacDonald, Deputy Minister, Prince Edward Island Department of Education and Early Childhood Development
5. Mr. Robert Maddix, Regional Advisor, Rural and Cooperative Secretariat, Agriculture and Agri-Food Canada
6. Ms. Sharon Cameron, Deputy Minister and Mr. Lorne Clow, Director, Corporate Services, Prince Edward Island Department of Community Services, Seniors and Labor
7. Mr. Charles Crockett, Executive Director, PEI Cooperative Council
8. Mr. Donald Arseneault, Provincial Director, Prince Edward Island, Canadian Heritage