

JEWISH FEDERATION OF OTTAWA
REPORT ON FUNDING TO LOCAL AGENCIES
FOR 2016/17 & 2017/18

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1. INTRODUCTION

This report presents recommendations for the distribution of funds from the Annual Campaign to community organizations for fiscal years 2016/17 and 2017/18. By funding partner agencies to carry out a variety of programming, the Federation can meet its objectives of creating an inclusive, accessible, educated and engaged Jewish community. Information about school funding is available in a separate report.

In September 2014, the Federation launched an Allocations Task Force with the mandate to undertake a comprehensive review of allocations to local Jewish organizations to develop recommendations to improve the transparency and accountability of the funding process. The guiding principle of the Task Force was that Federation, as a steward of donor dollars, has a responsibility to provide appropriate oversight to ensure that best practices are in place within funded agencies so that donors can be assured that their dollars are being used effectively and prudently. At the same time, Federation, through its allocations process, seeks to work collaboratively with local Jewish agencies to improve services and programs to meet the emerging needs of the community, and to increase capacity in the community to respond to the ever changing environment.

The following are the changes to Federation funding to local agencies, resulting from the recommendations of the Allocations Task Force:

- **New Hybrid Model of Funding:** A hybrid model of funding will see the largest five agencies receive “Organizational Funding” and all other organizations will continue to receive Program Funding.
- **High standards for all funded agencies:** All funded agencies are required to adhere to, or strive to adhere to consistent standards to meet public and donor expectations, laid out in a Good Governance Checklist that measures aspects of the agency’s overall performance. This will serve not only to enable Federation to gather information about an agency’s efficiency and

effectiveness, but it will also indicate in a clear way to agencies that these elements are taken into consideration when funding decisions are made. A summary of the Good Governance Checklist is available in Appendix 1.

- **Timing of the process:** The funding process has been altered so that agencies learn about whether or not they will receive funding, and the estimated amount they will receive, at least 5 months prior to the start of funding on July 1.
- **Funding Envelopes:** The “Religious Outreach” envelope has been rolled into the “Strengthening Community” Envelope. This has not resulted in any decrease in funding available.
- **New seed funding for innovation:** A formula has been adopted whereby a proportion of up to 25% of increases to the allocations funding envelopes be held back to fund innovative programs as they arise throughout the year, up to a maximum of \$25,000 per year. (In the case of flat allocations, this formula will not apply.)

There was an additional \$112,000 available to allocate as new funding for local agencies in 2016/17.

The Board decided to allocate this increased funding as follows:

Funding Envelopes	(\$) Increase
Assisting the Vulnerable	\$30,700
Strengthening Community*	\$30,700
Innovation Fund	\$20,000
School Funding**	\$30,600
Total:	\$112,000

*Strengthening Community Envelope includes the addition of the Religious Outreach envelope.

Federation funding to Jewish Schools is laid out in a separate **Report on School Funding.

2. PROGRAM FUNDING

Federation continues to provide grants for local programs that help to fulfill its mandate: Building Community, Helping the Vulnerable, Educating Jewishly and Supporting Israel.

Program Funding is awarded to address specific programs and not underwrite agencies on the basis of their operating budgets. At the same time, organizations can also include a reasonable portion of their overhead as a part of the cost of an individual program.

A total of 17 applications were received from 11 agencies. Applications were reviewed by the members of the Grants and Evaluation Committee who were selected to represent a broad cross-section of members of the community. The members of the committee have previous experience volunteering or working within local Jewish organizations. Many also have experience with allocations processes in non-governmental organizations, financial management and/or with program evaluation. Members were asked to declare any possible conflicts of interest and to abstain from evaluating applications where there was a stated conflict.

The Chair of the Grants and Evaluation Committee was Arlene Wortsman. The members of the committee were: David Baker, Nathan Clein, Harold Feder (Federation Board Representative), Sharon Diamond, Susan Marcus, Jessica Strauss, Harland Tanner, Jordana Vered and Helen Zipes.

Program Funding decisions are made based on the following criteria:

Full details of the criteria are listed in Appendix 2.

- a) Program fit with Federation priorities
- b) Program design and management
- c) Program impact

In order to complete the applications process, agencies must agree in writing to a list of commitments that are included in Appendix 3.

Timeline

- All beneficiary and member agencies were notified of the start of the funding process in August 2015. The deadline for submission was September 30, 2015. All information about the funding process and application forms were available on-line and agencies had to submit applications on-line.
- Two information sessions were provided in early September to explain the on-line applications process and to answer any questions. Hands-on assistance and technical support were provided to agencies upon their request, to assist in completing applications.
- Applications were reviewed thoroughly by staff and committee members from November 2015 through January 2016.
- Face- to- face meetings with applicant agencies were held in November. This provided an opportunity for agencies to highlight important aspects of their applications and for Grants and Evaluation Committee members to ask any questions that might have arisen.
- The funding recommendations will be submitted to the Board for initial approval in March 2016. Once Federation’s budget for 2016/17 is approved by the Board in the spring, agencies will be notified of their exact funding.

Measuring the Impact of Funded Programs

Funded agencies are held accountable for how they use Federation funding through an annual Impact Report. Funded agencies are asked to describe the results they have achieved and how well these match up to the goals and objectives they set for their program during the application process. Agencies are required to submit Financial Statements and Program Budgets, and are asked to report on how many people they have impacted and in what measurable ways they have been impacted.

In addition to the Impact Report, the Committee hears directly from agencies about their programs through face-to- face meetings and site-visits. The goals of the site-visits are to help committee members develop a deeper understanding of what agencies do, and the impact that Federation funded programs have on the people they serve. The purpose of this is to be able to communicate this improved understanding to the Federation Board, to our donors and to the community at large. Most

importantly, these meetings build a stronger relationship between the agencies and the Federation so that we can work better together as partners.

In order for funded agencies to receive the second year of funding, they must demonstrate that they have successfully met their objectives for year one. If they have not met their objectives as outlined in their application for funding, they must explain why and be able to demonstrate that they have a plan in place to move forward with their program in order to still receive their second year of funding.

Funding Envelopes

Under the new Hybrid Funding Model, some agencies will receive Program Funding, while the 5 largest agencies will receive Organizational Funding. Note that funding for all agencies will come from the envelopes listed below, with the exception of the Ottawa Jewish Community School (OJCS) and other schools, whose funding comes from the School Funding Envelope.

Funding Envelopes				
Funding Envelopes	Current 2015-2016	(\$) Increase	Proposed 2016/17	Proposed 2017/18
Strengthening Community*	\$ 445,150	\$30,700	\$ 475,850	\$ 475,850
Assisting the Vulnerable	\$ 756,580	\$ 30,700	\$787,280	\$787,280
Total:	\$ 1,201,730		\$1,263,130	\$1,263,130

*Strengthening Community Envelope includes the addition of the Religious Outreach envelope.

Proposed Program Funding

Strengthening Community: Funding Recommendations				
Applicant	Program	Current Funding 2015/16	Requested Funding 2016/17	Recommendation 2016/17 & 2017/18
AJA	AJA 50+	\$10,000	\$10,000	\$10,000
CSN	Holiday Programming	\$ 2,400	\$40,000	\$3,500
CSN	Sinai Scholars	1 st Time Applicant	\$13,000	-
DFL	Student Interns	\$2,200	\$2,500	\$2,500
Hillel Ottawa	Student Campus Life	\$46,750	\$51,423	\$51,000
JET	Adult Education	\$8,000	\$15,000	\$9,000
JET	JWRP Post-Trip Programming	\$2,000	\$16,500	\$3,000
JET	Glebe Shul	\$13,000	\$50,000	\$15,000
JYL	Jewish Montessori Preschool	1 st Time Applicant	\$18,000	\$3,000
Limmud	Limmud Ottawa	\$1,000	\$2,000	\$2,000
NCSY	Culture Clubs	\$24,200	\$24,200	\$24,200
OTC	JLI Courses	\$2,000	\$5,000	\$3,000
OTC	Living Legacy	\$8,000	\$10,000	\$10,000
Sephardi Association	Sephardi Programming	\$8,000	\$15,000	\$9,000
TOTAL:		\$127,550	\$272,623	\$145,200

Assisting the Vulnerable: Funding Recommendations				
Applicant	Program	Current Funding 2015/16	Requested Funding 2016/17	Recommendation 2016/17 & 2017/18
AJA 50+	Creative Connections	\$ 3,000	\$ 3,000	\$ 3,000
Camp B'nai Brith	Camper Scholarships	\$ 22,000	\$ 96,000	\$ 22,000
Jewish Youth Library	Friendship Circle	\$ 4,400	\$ 25,000	\$ 4,400
TOTAL:		\$ 29,400	\$ 124,000	\$ 29,400

3. ORGANIZATIONAL FUNDING

Under the new Hybrid Funding Model, Organizational Funding will be provided to Federation’s five largest beneficiary agencies – Jewish Family Services, Hillel Lodge, Tamir, SJCC, and OJCS. Organizational Funding is in recognition of an agency’s importance to our community. With this new model, rather than focus on whether these agencies should receive funding, the Grants and Evaluation Committee will focus on accountability and providing appropriate stewardship of donor dollars and work to ensure that there is alignment with Federation’s mission, vision and values statement.

Determining the Level of Organizational Funding

Funding will initially be based on historical levels. These agencies have received relatively consistent funding since 2005. This funding will be contingent upon Federation meeting its Annual Campaign targets. As the campaign increases, there is the possibility for these agencies to ask for and receive more funding. These agencies will also be eligible to apply for additional funding for new or special programs over-and-above their annual allocation as part of the grants and allocations process or other Federation processes (i.e. Fund for Innovative Capacity Building).

The Process

Instead of having an annual application form, the 5 agencies will each have a **“Tailored Accountability Agreement”** which will lay out the commitments and conditions of funding.

This is intended to be a collaborative process between the Grants Committee and each individual agency that will be reviewed together with the agencies every 2 years. Additionally, Federation’s finance committee will undertake an analysis of each of the agencies every 2nd year.

Annually, the core funded agencies will be expected to submit their Annual Report, audited financial statements, and a written compliance report (based on the “Tailored Accountability Agreement”) of their activities. In addition, the Grants Committee will meet face-to-face with each of these agencies in the non-review year to receive an update about the agency’s progress, successes and challenges. The Tailored Accountability Agreement will include general requirements that apply to all the agencies receiving organizational funding, as well as individual tailored requirements.

Organizational Funding: Recommendations			
Agency	Current Funding 2015/16	Recommendation 2016/17 & 2017/18	Funding Envelope 2016/17 & 2017/18
SJCC	\$373,880	\$ 384,667	Strengthening & Vulnerable
Tamir	\$ 76,000	\$ 86,787	Assisting the Vulnerable
Hillel Lodge	\$221,000	\$ 231,787	Assisting the Vulnerable
JFS	\$373,700	\$ 384,487	Assisting the Vulnerable
OJCS	\$554,526	\$554,526	School Funding Envelope

4. SUMMARY OF ALL FUNDING RECOMMENDATIONS

By Agency	Current Funding 2015/16	Recommendation 2016/17 & 2017/18	Funding Envelopes	
			Assisting The Vulnerable	Strengthening Community
AJA 50+	\$13,000	\$13,000	\$3,000	\$10,000
Camp B'nai Brith	\$22,000	\$22,000	\$22,000	
Chabad Student Network	\$2,400	\$3,500		\$3,500
Developing Future Leaders	\$2,200	\$2,500		\$2,500
Hillel Ottawa	\$46,750	\$51,000		\$51,000
Hillel Lodge	\$221,000	\$231,787	\$231,787	
JET	\$23,000	\$27,000		\$27,000
Jewish Family Services	\$373,700	\$384,487	\$384,487	
Jewish Youth Library	\$4,400	\$7,400	\$4,400	\$3,000
Limmud	\$1,000	\$2,000		\$2,000
NCSY	\$24,200	\$24,200		\$24,200
Ottawa Torah Centre	\$10,000	\$13,000		\$13,000
Sephardi Association	\$8,000	\$9,000		\$9,000
SJCC	\$373,880	\$384,667	\$54,817	\$329,850
Tamir	\$76,000	\$86,787	\$86,787	
Totals:	\$1,201,530	\$1,262,328	\$787,278	\$475,050

5. NEXT STEPS

Once funding recommendations are approved by Federation's Board in March, agencies will be notified of their funding for the next budget year, pending final approval by the Board of the budget in May. Approved funding will be available to agencies starting July 1, 2016.

APPENDIX 1

Good Governance Checklist

As a funder and partner of local Jewish agencies, Federation has a vital interest in ensuring that they are well managed and well governed organizations. The most effective not-for-profit organizations have a strong partnership between talented professional leadership and a committed, informed, experienced and diligent board of directors. The purpose of the guidelines below is to ensure that agency boards have the tools needed to meet their responsibilities and to provide Federation with early warning of potential challenges. Although Federation recognizes that no two agencies are alike, and that each operates in a unique environment, we are detailing our expectations of standards for funded agencies, based on best practices in the field.

Minimum Standard	Agency Compliance
General Governance	
The agency holds an Annual General meeting.	Yes___ No___
The agency has term limits for board members. How many years?	Yes___ No___
The Board of Directors and senior officers have procedures to keep informed about compliance with applicable laws.	Yes___ No___
The Board and its committees document their actions in written minutes.	Yes___ No___
The Board reviews personnel policies and procedures periodically to ensure they comply with good practice.	Yes___ No___
How frequently does the Board of Directors meet? How are Board agendas set? (eg. by Board Chair or senior management, or a combination of the two?)	
Fiscal Oversight and Transparency	
Does management prepare a budget each fiscal year in sufficient detail to allow the Board (or its finance committee) to understand the Agency’s revenues and expenses by appropriate operating area and its capital expenditures?	Yes___ No___
Does the budget include a narrative that describes key assumptions underlying it and significant changes from the prior year’s budget and actual results?	Yes___ No___
Is the budget approved by the Board only after members of the Board or finance committee have had sufficient time to review it prior to the meeting at which it will be discussed and acted upon?	Yes___ No___
Does the Board (or its finance committee) receive and discuss at least quarterly, a financial report that shows YTD actual results compared to budget and prior year results by appropriate operating area (program, department, etc.)?	Yes___ No___
Does the Agency have a finance or audit committee composed of independent directors? Does the audit committee meet with the Agency’s independent auditors to approve the scope of the audit and to receive the report of the auditors?	Yes___ No___

If an agency answers “NO” to any of the above, they will be asked to explain how their agency will address the issue, and if any plans are in place for change in the future. In rare cases, a particular standard may not be relevant for an organization.

APPENDIX 2

Program Funding decisions are made based on the following criteria:

- a) Program fit with Federation priorities
 - The program supports Federation’s objectives laid out in its strategic plan.
 - The applicant agency has a mission and vision that is in line with the Federation’s mission and vision.

- b) Program design and management
 - The program budget is realistic and the agency has a track record of good financial management and efforts at controlling costs.
 - The program has clear objectives and the agency can demonstrate specific, measurable and attainable objectives.
 - The agency has clear and practical plans to assess the impact and expected outcomes of the program.
 - The program is viable based on its plan for implementation and can sustain itself with additional sources of income beyond that of the Federation.
 - The agency running the program is amenable to collaborating with other organizations in order to make the best use of community dollars.

- c) Program impact
 - The program provides “bang for the buck” and its impact is in line with the amount of funding being requested (recognizing that certain programs and services cost more to deliver than others).
 - The program or service meets an ongoing and documented community need.
 - It is a service that is not already being offered by other agencies in the community.
 - The program is of interest to and inclusive of all parts of the community, not just “members”. The program will actively seek to engage a broad cross-section of the community.
 - If a program has been previously funded, to what extent has the agency been able to deliver the program with that amount of funding? What are the positive results from the previous year of funding?

APPENDIX 3

Obligations of Program Funded Agencies

In order to complete the applications process, agencies applying for program funding must agree in writing to the following:

Federation acknowledges that other regulations and guidelines may be imposed on different organizations from outside the Jewish community and that these rules may supersede some of the commitments outlined here.

Federation Recognition

- Participate actively in promoting the success of Federation's fundraising and other activities. Encourage and enlist the participation of its constituency and members in activities such as the Annual Campaign Telethon, Campaign kick-off, Mitzvah Day and other Federation events.
- Include an appeal to support the Federation Annual Campaign in the organization's communication material at least once a year.
Where appropriate, mention the relationship to Federation and/or place the Federation logo on communications materials (including letterhead, web sites, mail solicitation, brochures, newsletters, flyers, folders, etc.)
Include mention of Federation's financial support in public communications regarding service delivery, where appropriate.

Accountability

- Provide program evaluations, survey results of clients/participants, audited financial statements, other financial and statistical reports as requested. Provision of grants for each program is conditional on the completion of Federation program evaluation reports.
- Advise Federation immediately of any major organizational changes (governance, service, program or funding changes), which affect services supported by the Federation allocation or the financial viability of the organization.
- Cooperate with Federation and other local Jewish organizations on addressing broad community issues and challenges that go beyond the scope of any one agency.

Community Building

- Use the Community Calendar that is on Federation's website as a tool for scheduling community events and agree to respect other organizations by making an effort not to hold competing events at the same time. Once submitted at www.jewishottawa.com, Federation will promote the event through our website, e-newsletter, social media channels, and Ottawa Jewish Bulletin.
- Ask that the organization's senior professional participate in the Executive Director's Forum or other initiatives which encourage greater cooperation and coordination among and between organizations that are a part of the Jewish community.
- Acknowledge that payment of funds granted to the organization may be subject to reduction or cancellation, in whole or in part, if the organization fails to carry out its activities, in whole or in part, as represented at the time of the request for funds. Decisions to alter funding will be made in consultation with the organization and will be considered as a last resort.