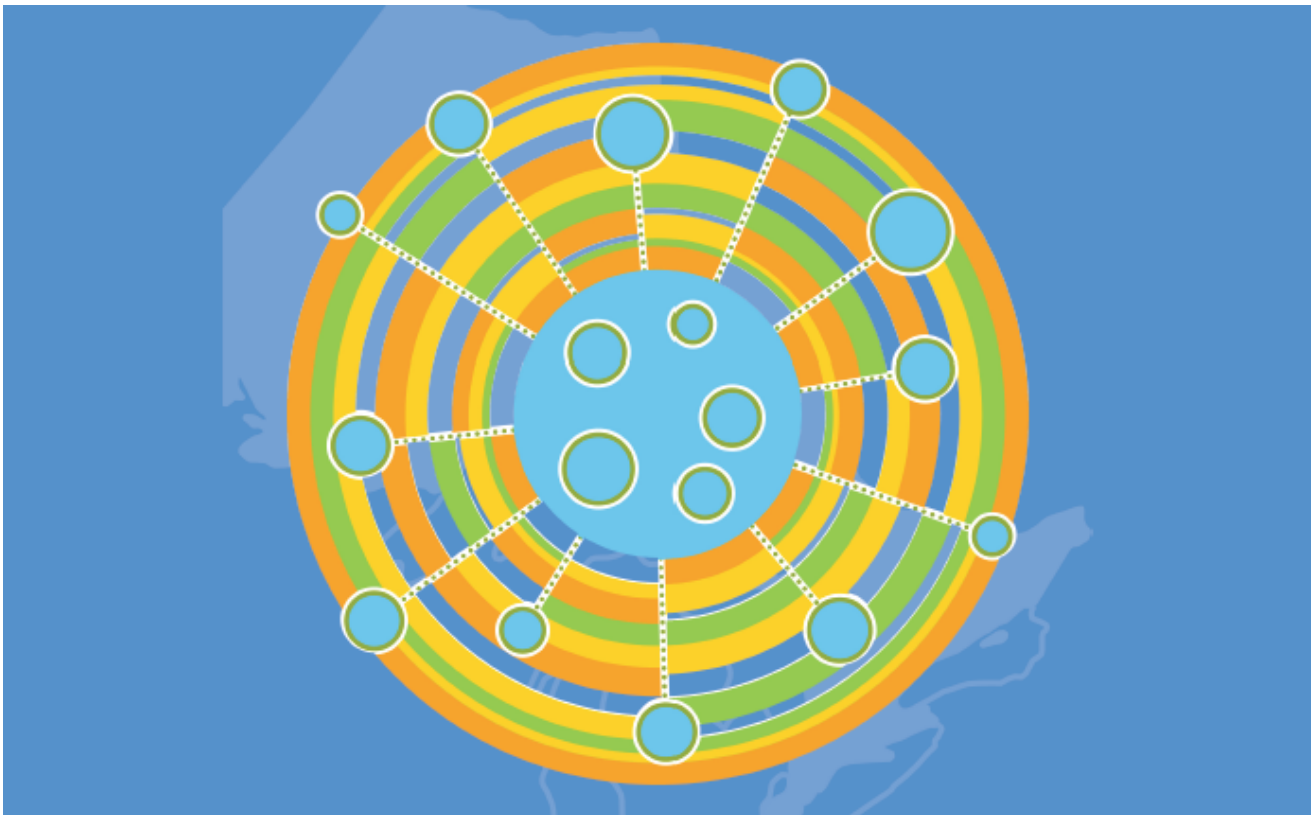




Shared Platforms in the Public Benefit Nonprofit Sector

GROWING INNOVATION. AMPLIFYING COMMUNITY ASSETS AND EXPERTISE.
A CASE FOR SUPPORT



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ABOUT ONN

ONN is the independent nonprofit network, with a reach of over 20,000, for the 55,000 nonprofits and charities in Ontario, focused on policy, advocacy, and services to strengthen Ontario's nonprofit sector as a key pillar of our society and economy.

ONN works to create a public policy environment that allows nonprofits and charities to thrive. We engage our network of diverse nonprofit organizations across Ontario to work together on issues affecting the sector and channel the voices of our network to government, funders, and other stakeholders.

OUR VISION

A Strong and Resilient Nonprofit Sector. Thriving Communities. A Dynamic Province.

OUR MISSION

To engage, advocate, and lead with—and for—nonprofit and charitable organizations that work for the public benefit in Ontario.

OUR VALUES

Courage to take risks and do things differently. **Diversity** of perspectives, creativity and expertise to get stuff done. **Optimism** and **determination**. **Solutions** created by the sector, with the sector, for the sector. **Celebrating** our successes and **learning** from our experiences. **Strength** that comes from working **together**.

ACKNOWLEDGEMENTS

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What is the public benefit nonprofit sector?

Public benefit nonprofits¹ build healthy, thriving communities and celebrate their diversity and inclusivity. These charities and nonprofits operate for the public good, whether social housing, community sport leagues, environmental programs and much more – and reinvest excess revenue in their public missions. They are key economic actors that help drive the strength and stability of our communities and leverage public investment into community wealth that stays in community hands.

These organizations are solutions builders, with an ear to the ground identifying issues, conducting research, and making recommendations that support people and communities. Public benefit nonprofits can provide shared platform support to emerging initiatives, but charity regulation makes it more complicated and risky for charities to provide similar supports. The sector needs both charities and nonprofit organizations to be able to nurture innovation and the emergence of community leaders.

SCOPE OF CANADA'S NONPROFIT SECTOR

170,000 charities and nonprofits (85,000 registered charities alone)

Contributes 8.1% to Canada's GDP

Employs 2 million Canadians

Fueled by 13 million volunteers

Imagine Canada, <http://sectorsource.ca/research-and-impact/sector-impact>

¹ Ontario Nonprofit Network, Introducing the Public Benefit Nonprofit Sector, 2017.
<http://theonncan.ca/wp-content/uploads/2017/12/Introducing-the-Public-Benefit-Nonprofit-Sector-July-2017.pdf>

What is a shared platform?

A shared platform is an efficient and agile way to nurture and support small and emerging public benefit projects and collaboratives. In this model, a more established organization “adopts” a new project, leveraging its existing governance and administrative infrastructure and freeing up the project leaders to concentrate on developing the initiative. The shared platform model offers an alternative organizational structure for groups undertaking charitable activities that is more accessible, timely, and less costly, and often times a preferred alternative to incorporating and obtaining charitable registration independently.

WHY DO WE NEED SHARED PLATFORMS NOW?

Shared platforms provide concrete benefits for the nonprofit sector, communities, funders, and governments. With the increasing complexity of social issues facing communities and the pace of change, including growing income equality, climate change, and the rise of marginalization, we need the public benefit nonprofit sector to be nimble, agile and responsive. Shared platforms can spark and foster innovation, support local emerging leadership, maximize time and efforts, and encourage risk taking and experimentation to meet the challenges and opportunities facing our communities in the 21st century.

There are an estimated 85,000 registered charities in Canada², often working with constrained resources while complying with multiple regulatory and legislative frameworks in their work.

The shared platform is an innovative model for emerging projects that fosters collaboration and reduces administrative barriers, allowing projects to focus on their community work, while at the same time ensuring regulatory compliance.

² Imagine Canada <http://sectorsource.ca/research-and-impact/sector-impact>

Shared platforms:

“The most important innovation in governance for organizations providing public benefit in the last 100 years.”

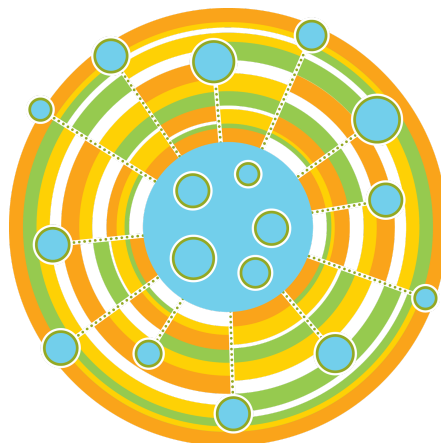
SHARED PLATFORMS: INSPIRING STORIES

The following charitable organizations acted as shared platforms for new ways to support emerging community needs:

Toronto’s Regent Park Community Health Centre pioneered a new approach that has significantly increased high school completion rates, through an initiative that is now [Pathways to Education](#).

A coalition of Canadian churches, including the [United Church of Canada](#), developed a private sponsorship program for refugees, which has most recently been used to support thousands of refugees from Syria.

Child Development Institute supported and evaluated the early intervention program [SNAP](#), pioneering new ways to support children under the age of 12 in conflict with the law.



Five reasons why charities should be enabled and supported to provide shared platforms

Shared platforms:

1. Maximize community efforts and donor impact, and lowers risk for funders
2. Maximize time and money by building on existing sector expertise
3. Support innovation and experimentation for public benefit
4. Reduce the pressure on regulators and save them time
5. Increase opportunities for equity and inclusion

1. Shared platforms maximize community efforts and donor impact, and lower risk for funders

Shared platforms allow charitable organizations to support people who want to contribute to their communities. Shared platforms allow these committed and passionate individuals and unincorporated groups to focus on their community-building ideas, instead of spending time on governance and administration activities.

For donors, shared platforms can maximize the impact of their donations. They provide assurance that projects have high-quality governance and administrative support, while maximising energy and resources going into the project or activity.

Over half of the charitable organizations in Canada are run entirely by volunteers, and another 34% have fewer than 10 employees.³ Shared platforms enable more grassroots initiatives in local communities to be started expediently. Moreover, fewer initiatives will flounder because of the time, expense, and complexity of starting a charity.⁴

Funders want to increase the impact of their support and help strengthen the sector and communities. The accountability that is part of a shared platform provides funders with assurance that the project proposals will be well prepared, human resources properly handled, finances accounted for, and risk management strategies in place.

³ Statistics Canada, National Survey of Non-profit and Voluntary Organizations, 2003 no 61-533-xpe. <http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&Id=5827>

⁴ Blumbergs, Canadian Charity Law <http://www.canadiancharitylaw.ca/faq>

If a new project is housed within an established and well respected charity, there is a stronger case for funders to support it. Using the shared platform model reduces inherent risk in funding innovation because the organization has existing systems and a track record to foster ideas and activities. Thus, shared platforms create increased capacity for funders to invest in innovative ideas and work with new leaders they might otherwise turn down because of their lack of governance and administrative experience. There is a growing list of success stories and funders who are now encouraging emerging groups to consider a shared platform.

2. Shared platforms maximize time and money, while building on existing sector expertise

Nothing frustrates people more than encountering roadblock after roadblock of bureaucracy and administration when they are focused on addressing challenges or opportunities in their communities. The structures and processes to access funding, a myriad of accountability requirements, and the many restrictions involved with charitable registration and regulation are often opaque and counterintuitive.

For example, to become a charity, prospective applicants are now presented with 39 policy and guidance documents to prepare a charitable registration application.⁵ It can take applicants significant time to assemble the application material⁶ and a year or more to receive approval.⁷

Most early initiative funding in the nonprofit sector requires charitable status. Unlike the business sector, there is little to no access to start-up financing and support. Sources of early financing are often private foundations, other charities, and United Ways, which require funding recipients to be a registered charity. Individual donations are easier to secure if a charitable tax receipt can be given, something only registered charities can do.

Shared platforms greatly increase the ability of new initiatives to overcome these challenges. They provide a base of sector expertise with nonprofit administration and compliance experience in a ready-made organizational structure, while allowing the topic experts to focus on the innovative idea, rather than learning and navigating administrative systems.

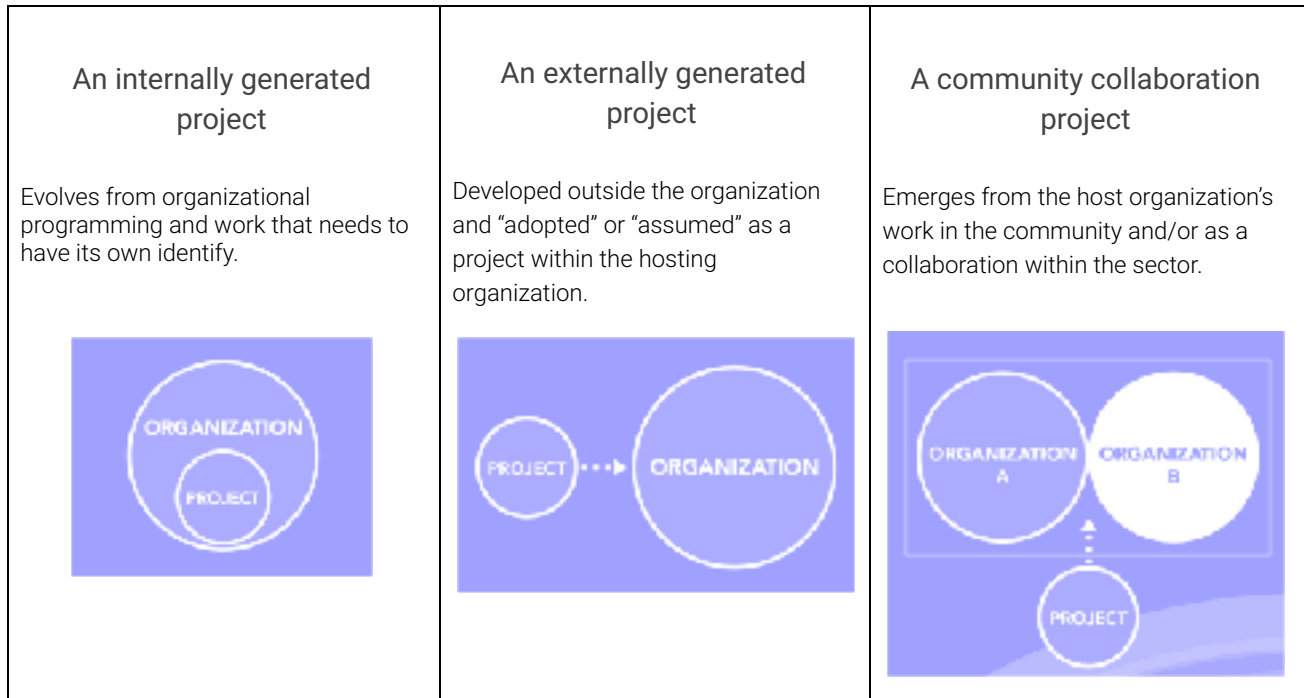
⁵ Canada Revenue Agency <http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/bcmng-eng.html>

⁶ Canada Revenue Agency, Applying for registered status <http://www.cra-arc.gc.ca/chrts-gvng/chrts/pplyng/menu-eng.html>

⁷ Blumbergs, Incorporation and obtaining registered charity status with Canada Revenue Agency <http://www.blumbergs.ca/non-profits-and-charities/incorporation-and-obtaining-registered-charity-status>

3. Shared platforms support innovation and experimentation for public benefit

The shared platform approach is commonly used in three different circumstances:



Becoming part of a shared platform greatly simplifies launching a new initiative because the focus is on the initiative, rather than the paperwork needed to start a new organization.

Shared platforms are an effective way to try out new ideas or respond to emerging needs. Successful programs may eventually become independently registered charities, while others may choose to remain on the platform or even wrap up, once their work is completed.

4. Shared platforms reduce pressure on regulators and save them time

One of the challenges facing regulators has been the proliferation of charities. With an estimated 85,000 registered charities in Canada, Canada Revenue Agency (CRA) works to ensure new charities are capable of becoming thriving organizations, and can clearly define and articulate their activities. Over the years, new requirements and guidances have been developed for groups seeking charitable registration.

Projects nurtured in their early days by a shared platform would have the time and support to prove if their project or activity can be successful, and could remain a shared platform, or should they decide to apply for charitable status, be more ready to do so.

Shared platforms would relieve pressure on regulators, since presumably there would be fewer charitable registrations because every new or small initiative would not have to become a registered charity. Compliance would be strengthened as experienced charities would support initiatives and ensure all regulatory requirements are successfully met.

5. Shared platforms increase opportunities for equity and inclusion

The funding and operating environments of registered charities too often exclude the very groups of people that could bring new insights to solutions and opportunities for communities. People of colour, Indigenous peoples, newcomers, youth and other marginalized groups often face barriers to participating in and accessing expertise, resources, and funding mechanisms to create a charity. Shared platforms can be designed to provide leadership support by coaching and mentoring local leaders, and can help people and groups from diverse communities better navigate the governance and funding environments.

What's the next step to integrate shared platforms formally in public policy?

Currently, shared platforms lack formal recognition and regulatory support at the federal level. ONN has developed a [policy paper](#) that details policy changes necessary for charities to confidently take on shared platforms. In the interim, ONN has created a [guidebook](#) to help organizations along the way which outlines how charities can adopt emerging initiatives within current charitable regulations.

With a strengthened regulatory framework, the public benefit nonprofit sector would be able to confidently undertake its role to innovate with solutions that meet the needs of communities across Canada.

WE WANT TO HEAR FROM YOU!

We want to hear from you! Give us your feedback on this case for support:
info@theonnc.ca

For more information, visit:
<http://theonnc.ca/our-work/our-structures/shared-platforms>

