

National Summit – Priority # 2 – More diversified and sustainable financing

Homework Questions

A. Financial Overview: Revenues & Assets

Use your organization's most recent financial statements or T3010 (CRA return) to help you answer the following questions about your organization's current funding model:

1. **What percentage of your organization's total annual revenues come from:**
 - A) earned income (including government contracts, sale of goods, membership fees or dues, professional services, general services or consulting fees, property rental or leasing, tuition payments, charitable gaming, or other)
 - B) government grants and contributions
 - C) individual and corporate donations
 - D) other sources (including investment income, etc.)

You may want to put together a pie chart that displays this information visually

2. **Does this picture look different today than it did five years ago? Two years ago? Identify how it is changing, if it is.**
3. **Does your organization have fixed assets** (i.e. buildings, land, equipment)? If so, what percentage of your operating budget expenses are related to maintaining those assets? (e.g. mortgage costs, amortization, maintenance costs for buildings etc.?)
4. **Does your organization plan its budget on a one-year basis? Or do you plan over a longer time frame (e.g. three years)?**
5. **Does your organization have to cope with recurring or single large revenue inflows (e.g. funds raised through a capital campaign, funds and expenses related to holding a biennial conference etc.)? How does that affect your annual operating budget planning?**
6. **Does your organization track specific operating costs on the basis of specific revenue sources** (for projects / programs, for fundraising initiatives, for earned revenue or contracts)?

B. Capital Needs & Sustainability

7. **Have you ever taken on contracts, or projects, or work without having secured the funding beforehand? If so, what would be some of the barriers that make it difficult for you to obtain the funding you need?**
8. **What is your organization's greatest vulnerability related to your major sources of revenue? What is your organization's greatest opportunity in relation to the same sources?** Think about each of the major categories of revenue that apply to your organization: earned income, government grants and contributions or philanthropy.

C. Alternative Financing

9. **Does your organization have any debt?** (e.g. loans, mortgages, bonds). If not have you considered it? What are the barriers (internal / external) that you and your organization might identify to accessing repayable financing?

D. Financial Literacy

10. Have members of your Board and/or management team in your organization ever had specific education or training in finance or accounting?
11. What areas would you most like to improve in terms of your own financial literacy or access to expert advice?