

Nunavut Association of Non-Profit Organizations (NANPO)

Position Paper 1

Cash Flow Challenges Related to Non-Profit Organization Grants and Contributions



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**NUNAVUT ASSOCIATION OF
NON-PROFIT ORGANIZATIONS**

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Writers:

Andrea Ledwell, Associate, Lichen Consulting
Bethany Scott, Project Manager, Lichen Consulting
Robyn Campbell, Principal, Lichen Consulting

Contributors:

Jessie Hale, NANPO
Nunavut non-profit organizations surveyed in 2023



PO Box 11202
Iqaluit, Nunavut X0A 1H0
robyn@lichenconsulting.com
(867) 222-0442

1. Introduction to this Position Paper and NANPO

The timing of funding to delivered non-profit organizations (also referred to as not-for-profits, or NFPs) in Nunavut – flowing from the Government of Canada (GoC) to the Government of Nunavut (GN) and then to NFPs – does not function to the best purposes of recipients, communities, and funders, and fails to address barriers unique to Nunavut. This paper breaks down the problem and makes recommendations for action.

This paper is about NFP cash flow challenges. *Cash flow* refers to the inflow and outflow of available cash in an organization, as well as the forecasting and management of cash to ensure the ability to pay for immediate costs. Most NFPs do not have a predictable income each month. The day-to-day management of the organization's finances involves managing available cash to keep the NFP operating and delivering services.

This position paper focuses on the timing of payments, rather than the amount of money given to non-profits. It asserts that federal and territorial funders (as well as other funding organizations that support non-profits) should review current funding practices to ensure that non-profit organizations are receiving promised payments in a timely and efficient manner.

The Nunavut Association of Non-Profit Organizations (NANPO) is the territorial representative organization of Nunavut non-profit organizations. Their purpose is to advance the interests of non-profit organizations with operations in Nunavut, increase communication between them, and address issues that collectively affect them. The general vision is to have a strong non-profit sector serving community needs in Nunavut.

Non-profit organizations are defined as associations, foundations, clubs, organizations, or societies that are organized and operated exclusively for social welfare, civic improvement, pleasure, or recreation.

2. Overview of the Non-Profit Sector in Nunavut

There are approximately 240 non-profit and charitable organizations based in Nunavut that are local, regional, and territorial in scope, serving areas including health and social services, housing and community development, education and research, arts and culture, as well as environment, law and advocacy, and research. These organizations deliver a wide variety of services and a high number of programs that reach many Nunavummiut of all ages.

Governments fund NFPs for a variety of economic and social reasons. Governments rely on non-profit organizations to help them meet the needs of communities. Non-profit organizations are essential partners in delivering government services.

NFPs work in ways that benefit the community, families, and individuals. NFPs are employers in Nunavut communities, offering first-job employment and career progression as well as significant learning, training, and retention opportunities. NFPs deepen local governance capacity through community participation on their elected boards of directors.

NFPs and their programs address local needs within their communities in direct and specific ways. They create systems, programs, and projects that support their communities. In Nunavut, many NFPs deliver supportive programming specifically for Inuit society. NFPs work to address systemic issues, such as poverty, using multilayered approaches grounded in core concepts of Inuit culture.

NFPs are economic drivers in Nunavut communities, particularly in non-decentralized communities. The Government of Nunavut (Department of Family Services) recently commissioned a report to determine the value of community-based not-for-profit organizations to Nunavut communities. This research demonstrated that Nunavut not-for-profit community-based wellness organizations are delivering significant tangible and intangible value to their communities, and that their value is multidimensional.

3. Problem Statement

Problem Statement: Systemic delays in payments to NFPs cause harm to the organizations, communities, and the funding agencies.

Nunavut NFPs face hardships as a result of systemic delays in approving and delivering funding. The current system has flaws in the delivery of each of the following areas, which causes inefficiencies, impairs the ability of NFPs to complete projects, and, in some cases, threatens the existence of the organizations. Cash flow hardships can happen when:

- Calls for applications are delayed
- Approvals are delayed
- Payments are delayed
- Schedules are out of sync with the Inuit seasonal calendar

This issue occurs primarily in funding delivered by the federal and territorial governments, but occasionally occurs with funding from Inuit organizations and municipal governments as well.

4. Survey of NFPs in Nunavut

Survey overview

For this position paper, in spring 2023 NANPO conducted a survey regarding cash flow hardships. NANPO invited 33 NFPs to complete the survey and received 19 responses.

Survey questions

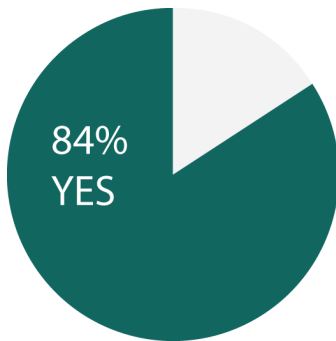
There were five survey questions provided. Each question provided a yes-or-no answer and space for optional comments. The questions were:

- A. Have you had cash flow issues?
- B. Have you had to use money from other funds temporarily?
- C. Have you had to lay off staff because of cash flow?
- D. Have you not paid yourself to pay NFP expenses temporarily?
- E. Have you struggled to use the full allocation because it arrived late?

The results of the survey are presented below, with a summary of responses to each question.

Summary of results

A. Has your non-profit organization experienced cash flow issues regarding grants and contributions?



84% of survey respondents confirmed that they have experienced cash flow issues regarding grants and contributions.

Survey respondents commented that they experience cash flow issues regarding the timing of grants and contributions to be approved, and for the funds to be received.

Respondents stated that the lack of predictability in receiving approved government funds has been harmful to their operations. Receiving delayed payments means organizations must adjust to a condensed spending period, resulting in inefficiencies and stress-based cash management. Organizations risk-manage their cash to avoid giving back a portion of funds.

In the gap between approval and distribution/receipt, NFPs are cash-managing any way they can. Newer organizations that are just getting established are not necessarily able to find a cash-flow solution while waiting for new funds to arrive. It is also challenging for funding meant for season-specific activities when funding is not received until after that seasonal window has passed. This jeopardizes an organization's ability to carry out their projects and puts significant stress on staff.

"We once received confirmation of funds eight months after the proposal."

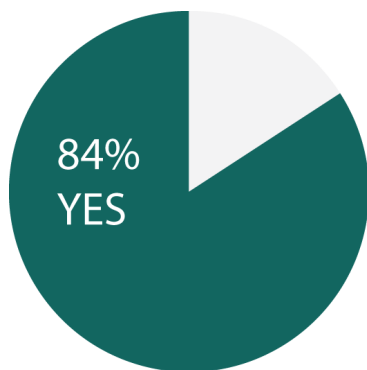
"Although funding was confirmed in March or April for many of our funds, we did not receive contribution agreements until May or June and will likely not see the first initial payments until July or August."

Despite sometimes significant delays in approvals and receiving funding, NFPs are still expected to complete projects within the April–March government fiscal year. Survey respondents noted that sometimes approvals are even further delayed, resulting in the government funder cancelling the funding application cycle. When this happens, NFPs are required to wait until the next year for the funding cycle to start over again to reapply for funding.

One respondent reported that it is not just the federal or territorial governments that have significant delays. The City of Iqaluit is regularly four to six months delayed in delivering payments in relation to the grants and contribution schedule. In frustration, some NFPs have threatened to stop delivering programs if they did not receive their funding. The NFP is still required to report on approved activity, even when funding has not been received.

For NFPs who deliver time-sensitive and critical services and supports (e.g. food and shelter), these payment delays can put the organization in serious jeopardy, which can be life threatening for community members who rely on these supports for survival.

B. Have you had to temporarily use money from other funds (i.e., other project funds, reserve funds) to overcome cash flow issues?



84% of survey respondents have temporarily used money from other funds to overcome cash flow issues.

When funding installments do not arrive on time, NFPs have to find or manage cash to make ends meet, while still attempting to achieve all project outcomes.

Respondents stated this is specifically true from April to September each year, meaning that cash flow is unaccounted for in the first half of the fiscal year. Practically, this means that the organization's costs are approved but the cash is unavailable for wages and fees, project materials and costs, and any administrative overhead. To make up this cash, NFPs frequently seek out secondary or emergency funding to keep the work going. Some NFP leaders have used their own personal funds (as much as \$20,000) to float the organization with cash while waiting for funding to come through.

One organization reported they were scheduled to receive \$64,000 from the Government of Nunavut in the spring to pay their rent. By the end of summer, the organization had to temporarily find other cash to cover the rent payments, while they continued to wait for the government funding to arrive.

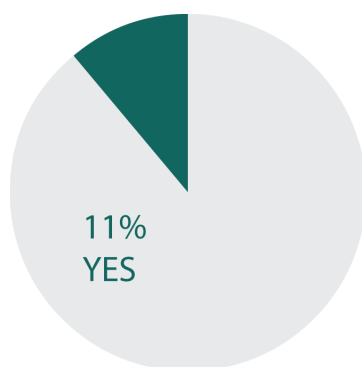
"In past years we have had to fundraise using raffle lottery tickets to sustain us between funding agreements and payment installments."

"When we schedule programs for the year, it is difficult to plan out programs especially since many of them are season specific such as out on the land programs, food preservation programs etc., even some sewing programs where we have to harvest certain animals during prime times. We have to come up with ways to do them, usually with our own funds/reserves."

"We rely on donations, carryover from previous years, and reserve funds to carry us through until initial payments are received--sometimes as late as September or October for contribution agreements beginning in April."

NFPs struggle to raise temporary cash flow by soliciting donations and fundraising, and using any contingency of reserve funds they might have accumulated, to carry them through until the payments are received. With cash flow so tight, there is no room to accommodate additional unforeseen circumstances.

C. Have you had to lay off staff because of cash flow?



11% of survey respondents said they have laid off staff because of hardships with cash flow.

The survey respondents who experienced cash flow hardships reported that delayed approvals and payments affect both the existing staff and their ability to recruit and retain new staff. This causes significant stress in the workplace, which ultimately affects the organization's ability to deliver programming in their community.

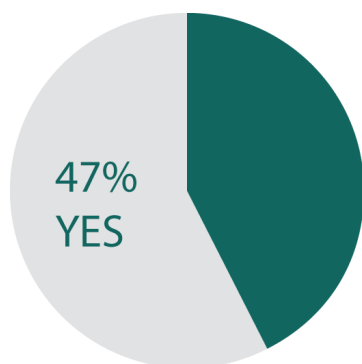
One consequence of delayed payment is regarding employment. When an NFP is unable to find the cash to continue to pay staff, they must lay them off, which would be unnecessary if the payments were issued on time and if there were more multi-year projects approved that would allow for greater

continuity and certainty. People chose to work for NFPs for many reasons: pay and benefits offered, the attraction to working in a smaller, more nimble team environment, and/or because the values of the employer align with their personal values. Respondents shared that cash flow challenges are particularly challenging when lay-offs become a reality. Once laid off, those staff take other jobs and rarely return to their original work with the organization. This situation is especially challenging for newer NFPs. While only a tenth of respondents have taken the drastic measure of laying off staff, many other respondents said that future lay-offs are a very real concern for them and they are actively working to avoid this scenario.

Some NFPs have had to work with financial institutions to get interim or bridge financing to be able to pay regular salaries. In some cases, organizations have had to seriously consider shutting down entirely due to the impacts of delayed funding on their financial position. Overall, cash flow hardships make for a stressful operational environment for all NFP staff, and pulls attention away from primary service delivery.

"Many small groups have failed – even gone broke – when funders fail to provide the approved funds on time."

D. Have you temporarily not paid yourself in order to pay other expenses?



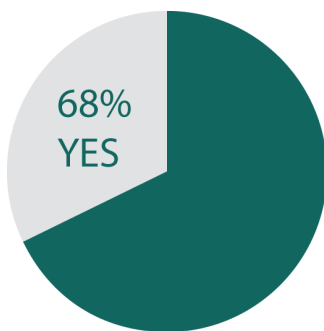
47% of survey respondents have temporarily not paid themselves in order to pay for other expenses.

Survey respondents reported that it is a frequent occurrence that the executive director will reduce or delay paying their own salary until there are sufficient funds to cover staff payroll and the NFP's operating costs. This means NFP executives are covering government funding to keep the organization running, while compromising their own personal finances, compounding the financial burden and stress, and increasing the risk of burnout.

This reduces the appeal of working as a leader in the NFP sector in Nunavut, which is vital to delivering social, economic, and cultural programs and services. It was also reported that executive directors have loaned personal funds to the organization to cover employee payroll.

"My salary has been deferred at different times."

E. Have you struggled to use the full allocation of awarded grants or contributions because the funding arrived too late?



68% of survey respondents confirmed they have struggled to use the full grant or contribution amount because the funding arrived too late.

Contribution agreements have payment schedules with delivery timelines. When the contribution agreements or payments arrive midway through the year yet still reflect the full year's planned activities, it is extremely difficult to make up the time in action and reporting. Additionally, when the payment schedules in the contribution agreement are not adhered to, it can result in a misalignment of reality in relation to what is stated in the agreement.

Survey respondents reported that funds often arrive after months of delay. Sometimes the funds are received after the fiscal year end, or even after reporting is due. Due to the late-arriving funding, some NFPs have had to return approved funds, cancel or reduce projects, and/or do significant last-minute spending. The late arrival of approved grant funding leads to an inefficient and poorly planned use of these funds.

Respondents stated that when organizations aren't able to complete all parts of their projects due to cash flow issues resulting from payment delays, it can have a negative impact on the NFP's ability to obtain future funding. Delays in receiving funding also create challenges in multi-year projects, where approval and/or the funds can arrive so late that the first

"Funders are asking for proposals before March 31, usually in February, and not hearing back from some until late in the year makes it very difficult to plan out programs."

year's activities must be rolled into the second year to achieve the agreed-upon outcomes.

It was also reported that some funders fail to recognize the challenges and costs associated with accelerating and overlapping projects. In some situations, the funder does not allow the NFP to roll over the funding into the next fiscal year; instead, the NFPs have had to return unspent money to the funders and not complete half of the approved project.

Summary

Survey respondents reported that the current funding model works against the ability of NFPs to deliver their services in the most well-managed way possible: efficiently, cost effectively, and consistently. The current system adds stress and introduces barriers to NFPs, instead of providing the support they need to deliver services to Nunavummiut.

5. Problems with the Current Funding Model

While NFPs access funding from a variety of sources, it must be noted that the majority of funds flow from the federal government.

The Government of Canada is generally the original source of funding accessed by NFPs in Nunavut. Most frequently, funding accessed by Nunavut NFPs flows from federal ministries to various departments within the territorial government. Distinctions-based funding also flows to Nunavut Tunngavik Incorporated and regional Inuit organizations, who may, in turn, flow funds to community non-profit partners. In both of these models, it is the Government of Canada who ultimately establishes the timeframe for project funding.

Most of the federal funding flows either directly or indirectly to Nunavut NFPs:

- **NFPs have direct access to federal funding.** NFPs can directly access federal funds, where they apply to and enter into a contribution agreement with the Government of Canada. This involves one layer of government bureaucracy.

- **NFPs have indirect access to federal funding in two general ways.**

Via the Government of Nunavut. NFPs can access federal funds that first flow to the Government of Nunavut. The GN then distributes funds through an established GN program to successful applicants. This involves two layers of government bureaucracy.

In some circumstances, this funding may be available through a third level of bureaucracy – for example, when the GN allocates funding to the City of Iqaluit for community distribution.

Via Inuit organizations. NFPs can access federal funds that first flow to Nunavut Inuit organizations. Inuit organizations then decide how to distribute federal funds through their own programs to successful applicants. In Nunavut, this involves multiple layers of bureaucracy, as funds often flow as follows: Government of Canada → Inuit Tapiriit Kanatami → Nunavut Tunngavik Inc → Regional Inuit Association.

Although there are multiple layers of bureaucracy, Inuit organizations are smaller than the territorial government and can be more nimble and efficient when distributing funds.

It should be noted that Inuit organizations also have their own source funds (revenue) from Inuit Impact Benefit Agreements and other rights afforded to them under the Nunavut Agreement. Inuit organizations have sole discretion on how to distribute their own funds and can use this money for direct service delivery to Inuit, or to deliver services to Inuit via a third party, such as an NFP partner.

Problems with this model

The problems with this model are that funds are passed through several layers of bureaucracy, which themselves take time and are prone to delays in application call-outs, approvals, and payments, and the schedules are out of sync with the Inuit seasonal calendar.

Application call-outs

NFPs are highly attuned to the government funding cycle and plan ahead to apply to funding programs when they are announced. While some announcements are predictably repeated every year, there are others that happen irregularly, which makes it difficult to plan around.

Approvals and signing of contribution agreements

An NFP recipient has very limited ability to negotiate better terms to be more in alignment with its (and its community's) needs, and must therefore find ways of working within the restrictions and parameters of the signed agreement.

Payments and reporting

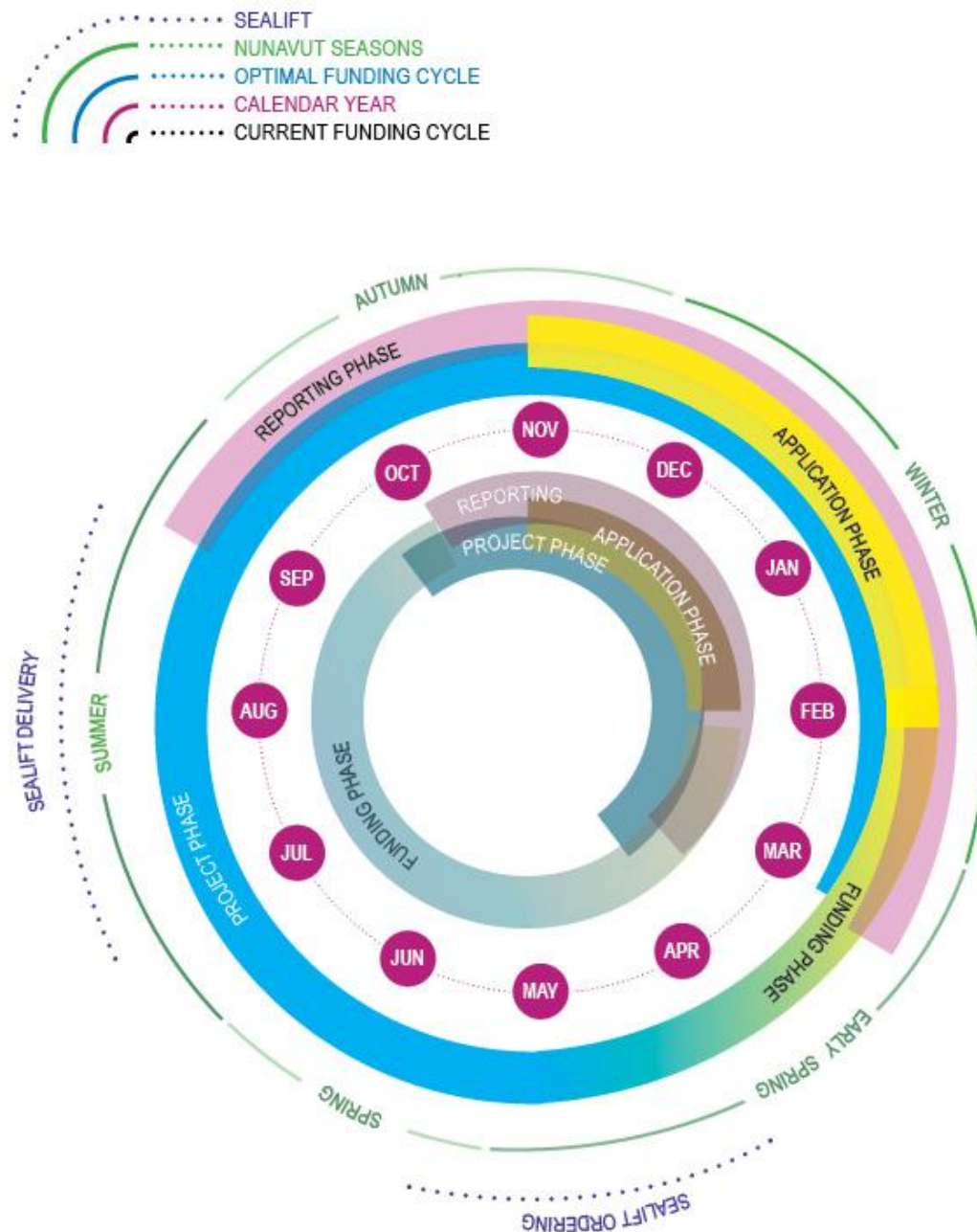
A signed agreement should hold both parties accountable. The NFP is held to account through the reporting requirements. But there is an absence of accountability on the part of the government funder to hold itself to the disbursement/installment schedule or timeline. If the Government of Nunavut were to uphold their obligations in the agreement, NFPs would be in a much stronger position to manage cash flow, and subsequently stronger programs, projects, and operations.

Inuit seasonal calendar of activity

Additionally, if the government funders could amend the cycle to align with the NFP activity calendar in Nunavut, Inuit in Nunavut communities would be in a much stronger position by receiving robustly managed, well-planned and -executed programming, with appropriate reporting. It would also importantly align services and programming in the Inuit seasonal cycle and honour activities that support Inuit Societal Values within seasonal cultural activities.

On the following page is an infographic showing the current funding cycle, the optimal funding cycle (developed in consultation with NFPs), the calendar year, and the Nunavut seasons, along with sealift.

CURRENT NFP FUNDING CYCLE, IN THEORY AND PRACTICE



6. Negative Impacts on Nunavut NFPs, Staff, Communities and Funders

Systemic delays in approvals and payments to NFPs cause harm to the organizations, NFP staff, local communities, and the funders themselves.

Issues that have a negative impact on **NFP organizations**:

- One half of the NFP fiscal year is managed without anticipated cash flows due to delayed payments.
- NFPs have uneven or impaired cash flow that:
 - unpredictably compresses timelines and makes seasonally based projects hard to manage and pay for;
 - makes it more challenging for newer organizations to get solidly established;
 - increases stress over adequately covering operational and administrative costs throughout the year; and
 - makes it very difficult to save funds to build a contingency/reserve fund for emergencies.
- NFPs that access alternative temporary funding or emergency bridge funding have increased workload, risks, and costs.
- NFPs are required to report on approved activities, regardless of when they receive the funding. When NFPs cannot deliver projects on timelines forecasted in the project applications form due to funding delays, they try to either renegotiate a new project timeline or explain in their final reporting why they did not follow the forecasted timeline. When an NFP is not able to stick to their forecasted timeline, it can reflect negatively on that NFP, which may make them a less attractive recipient in the future.

Issues that have a negative impact on the **staff of the NFP**:

- NFPs struggle to attract and retain talent in a cash-stressed environment. Given these challenges, it is very difficult to hire staff efficiently and effectively. It is also hard to plan for retention and growth.

- NFP staff are under pressure and stressed trying to accomplish their work without stable cash flow.
- NFP executive directors may have delays in being paid, or take temporary pay cuts.
- Job insecurity is caused by the fear of layoffs, or temporary layoffs until the next round of funding is approved and/or received. This creates a stressful and uncomfortable work environment. The effort to avoid this scenario is a significant burden on NFPs and increases the difficulty of hiring when employment contracts can be six months or less.
- NFP staff spend time redoing financial planning to juggle other resources in order to accommodate cash flow challenges.
- NFP staff are forced to undertake time-consuming activities like small-scale fundraising and/or finding other money to carry them through cash flow challenges.
- NFP staff are unable to establish realistic work plans when facing uncertainty as to when funding will arrive.
- It is difficult for NFP staff to deliver multi-year projects when facing cash flow challenges. This constant stop/start of projects and programs every year affects momentum and enthusiasm.

Issues that have a negative impact on the **community served by the NFP:**

- When the NFPs that deliver services do not have the cash flow to deliver them, the communities risk not having these services or activities provided.
- Community-based businesses are negatively affected when NFPs are faced with cash flow challenges and are unable to hire those businesses' services.
- Communities miss out on opportunities when NFPs receive late payments:
 - NFPs may not be able to deliver programs and services that align with Inuit seasonal cycles, which are integral to Inuit cultural activities.
 - NFPs may miss the window of opportunity to order goods on the sealift (i.e. physical and logistical limitations underpin the supply and delivery of goods and materials that are needed to deliver programs and services in communities).

Issues that have a negative impact on the **funders of the NFP:**

- Funding staff are affected by their clients' (NFP staff) stress and struggle in managing the organization's financial hardship.
- Funding staff must more actively manage the peaks of effort and time needed to manage funding agreements for NFPs, because spending and reporting happen in spurts as a result of NFPs spending late-arriving funding and last-minute spending choices, often made with rushed timelines.
- Funders require additional staff capacity to administer cancelled projects, resulting from funds that did not arrive in time to execute the project.
- Funding staff are challenged when NFPs struggle to fulfill reporting requirements. When NFPs attempt to repurpose information across multiple forms and types of reporting in order to satisfy the reporting requirements, it can create additional work for funders because of the time required to interpret the information provided.
- Funding staff face an administrative burden from an inefficient cycle of annual applications and reporting. This results in an increase to the number of communications with recipients and increases the associated paperwork.

Negative effects of the current funding model on:

A. Inuit-specific factors:

For NFPs, one of the most frustrating impacts of the current model is that it does not match Inuit seasonal cycles of cultural activities, which ultimately undermines community self-determination, community well-being, and Inuit culture.

B. Economic factors:

Funder-related barriers to timely approval and delivery of funds to NFPs results in a missed opportunity for NFPs to maximize their contribution to Nunavut's economy. Additionally, there are

negative economic impacts on funders such as government departments, who are also at risk of losing valuable time and resources because of administrative lag, repetition, and redundancies in the funding processes. There are negative economic impacts on local business if NFPs are unable to procure local goods due to cash flow challenges. Lastly, the fact that NFP leaders feel they are left with no option but to draw funds from their own personal pocketbook is clearly a sign of financial and fiscal malaise and overall inefficiencies in the NFP funding system.

C. Social factors:

Communities benefit from government-funded programs and services delivered by NFPs. When NFPs are not able to provide the social programs to their community as planned, it means that there is a significant difference in the theoretical provision of programs and services to communities versus what is actually delivered. It is beyond the scope of this paper to determine the extent of these losses, but it is clear that the social programs, resources, and activities delivered by NFPs are critical to communities, to the well-being of community members, and to the retention and knowledge transfer of Inuit culture and practices. It bears keeping in mind the consequential stress on community and on employees of non-profit organizations and how this stress can harm the health and well-being of the same people the funds are intended to support.

D. Timing of funding factors:

It is clear that the current model of delivering funding to NFPs – with repeated and persistent delays – undermines the ability of NFPs to deliver services in meaningful ways. It also means that work planning goes out the window when approvals, contribution agreements, or funding payments do not arrive in a workable timeframe. When the funding arrives late, there is pressure on the NFP to spend quickly so as not to lose the funding, and therefore the funding is often spent inefficiently. Delays in receiving funding also mean that the current model doesn't fit well with the Inuit seasonal cycle and is impractical given Nunavut's unique infrastructure challenges (e.g., sealift).

E. Redundancy/Drag in Repetitive Application Factors:

Nunavut nonprofit organizations, whose human and financial resources are already stretched, are additionally caught in a never-ending repetitive cycle of bureaucratic applications and reporting, reducing their ability to actually do the work for which the funds are needed. This is also a poor use of government employees' time, where employees are not given sufficient time and resources to

meet the expectations of the existing system's model, let alone a more desirable model that would better suit the NFPs. Delays in delivery of funds mean more projects are at risk of being incomplete or abandoned. The entire system represents a model of cyclic administration, rather than one of service.

F. Budget Allocation Factors

The current model doesn't allow NFPs to be flexible or adaptive in how they manage their organizational, program, and project budgets. Organizations are forced to draw on operating or other program budgets (or even pay out of pocket) to cover the gap created by persistently delayed delivery of funds. It is common for NFPs to accommodate the delayed funding installment by revising their project plans to serve the realities of their bank balance rather than community needs. NFPs get caught between what was approved for a full project, and what becomes necessary for a shortened project after months-long delays. The current model limits the ability of NFPs to procure goods by sealift and ends up increasing costs to deliver programs and projects.

It's worth noting that during the COVID-19 pandemic, several NFPs in Nunavut were provided with unrestricted funding to provide a nimble and timely community response to the pandemic. This made a crucial difference in many local communities and for NFPs' operational management. Unrestricted funding allows NFPs the flexibility to adapt and expand their programs, and their reach in Nunavut communities.

7. Recommendations

NANPO makes the following recommendations to the Government of Nunavut. Based on the principle of "nothing about us without us," implementing these recommendations must include extensive consultation with NFPs.

Immediate Actions for the Government of Nunavut (2023)

1. Create a territorial Non-Profit Task Force for information sharing and collaboration in repairing funding processes for the non-profit sector. Membership should be NANPO

representatives and all GN departments that fund or have a role in approving/distributing funds to NFPs. Meetings should be quarterly to set action and monitor progress.

2. Conduct an internal audit of GN departments that fund NFPs to reveal (1) the prevalence of delayed payments and (2) the pain points in the process (for both approvals and remittances). This is to better understand why delayed payments are happening and to revise internal processes to prevent delayed payments in the future. The results should be shared with the Non-Profit Task Force.
3. Amend contribution agreements to allow:
 - a. a larger initial installment (90%) and a smaller holdback (10%), rather than quarterly payments (that don't arrive on time because they are burdensome for funders to approve).
 - b. an additional percentage of the total project (e.g. 5%) that is specifically earmarked for a non-profit's contingency or reserve fund. All non-profit organizations should have a contingency or reserve fund to increase non-profit sustainability and cash flow management, and provide financial stability.
 - c. a rollover allowance between fiscal years.
4. Prepare multi-year NFP funding agreements (to replace regular/repeated annual agreements) for greater efficiency in the application and reporting processes, to the benefit of funders and recipients.

Short-Term Actions for the Government of Nunavut (2023–2024)

1. Recommit to delivering timely and reliable payments that adhere to the payment schedule set out in the non-profit organization's contribution/ grant agreements.
2. Commit to communicate any payment delays with the NFP, and re-adjust timelines together with them so they can adapt their plans accordingly.
3. Acknowledge and address the financial hardship of delayed funding installments by issuing a standard interest rate (linked to inflation) on all late government payments.

4. Deliver multi-year funding that relieves and reduces application and reporting burdens on the NFPs.

Long-Term Actions for the Government of Nunavut (2024-2026+)

1. Commit to a faster processing of applications, faster communication of approvals, and faster delivery of contribution agreements, so that NFPs are aware of the results faster and can plan and initiate program delivery without delay.
2. Review and adjust the administrative funding calendars to align with and respect Inuit seasonal activities.
3. Simplify and streamline annual reporting requirements and adjust deadlines to align with quieter periods in the Inuit seasonal calendar.
4. Engage in more trust-based grantmaking, including:
 - a. Eliminating onerous narrative and detailed cost reporting. Change internal policies to request the least amount of information required to lighten the reporting on NFP applicants.
 - b. Providing unrestricted funding to community-purpose NFPs that includes project, administrative, and operational costs. During the COVID-19 pandemic, having access to unrestricted general operating support made a crucial difference to many NFPs serving local communities. Unrestricted funding allows NFPs the flexibility to adapt and expand their programs and their reach.
 - c. Amending program policies, eligible expenses, and contribution agreements to encourage NFPs to build a contingency or reserve fund, so they can continue to deliver programs and services without interruption.