



What Success Looks Like

ALBERTA PROVINCIAL COMMITTEE

OF THE AIR CADET LEAGUE OF CANADA

ANNUAL GENERAL MEETING OCTOBER 2017



or How to Change and Prosper

ALBERTA PROVINCIAL COMMITTEE

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The Partnership

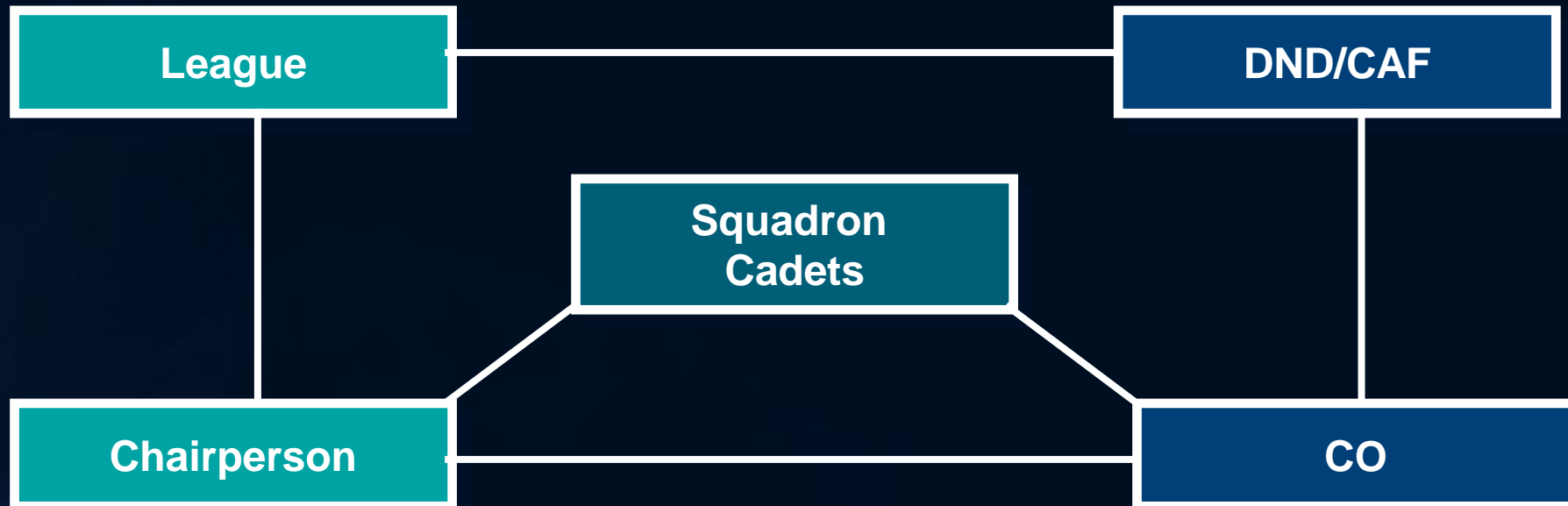
- Communication;
- Collaboration;
- Respect;
- Trust;
- Tolerance; and
- Teamwork.



The Partnership



One Entity



Outline

- Positioning For Success (Elements For Success, Strategic Success Model, Strategic Planning Approach)
- Strategic Planning and Management Model
- Critical Success factors
- Next Steps
- Questions

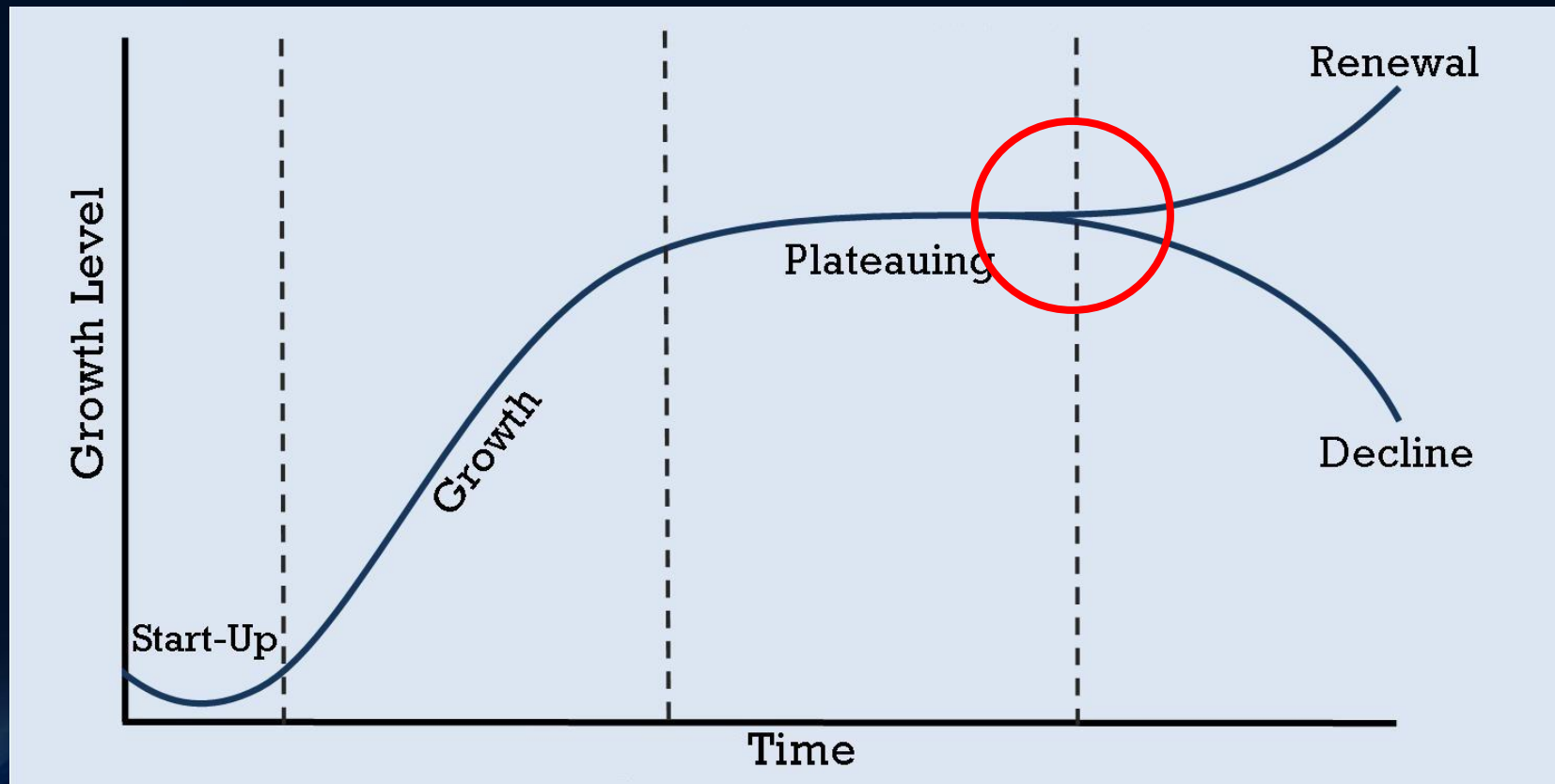


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Revitalization - Organizational Life-Cycle

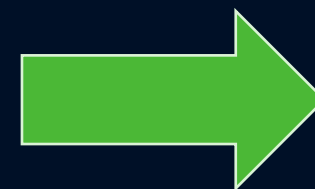
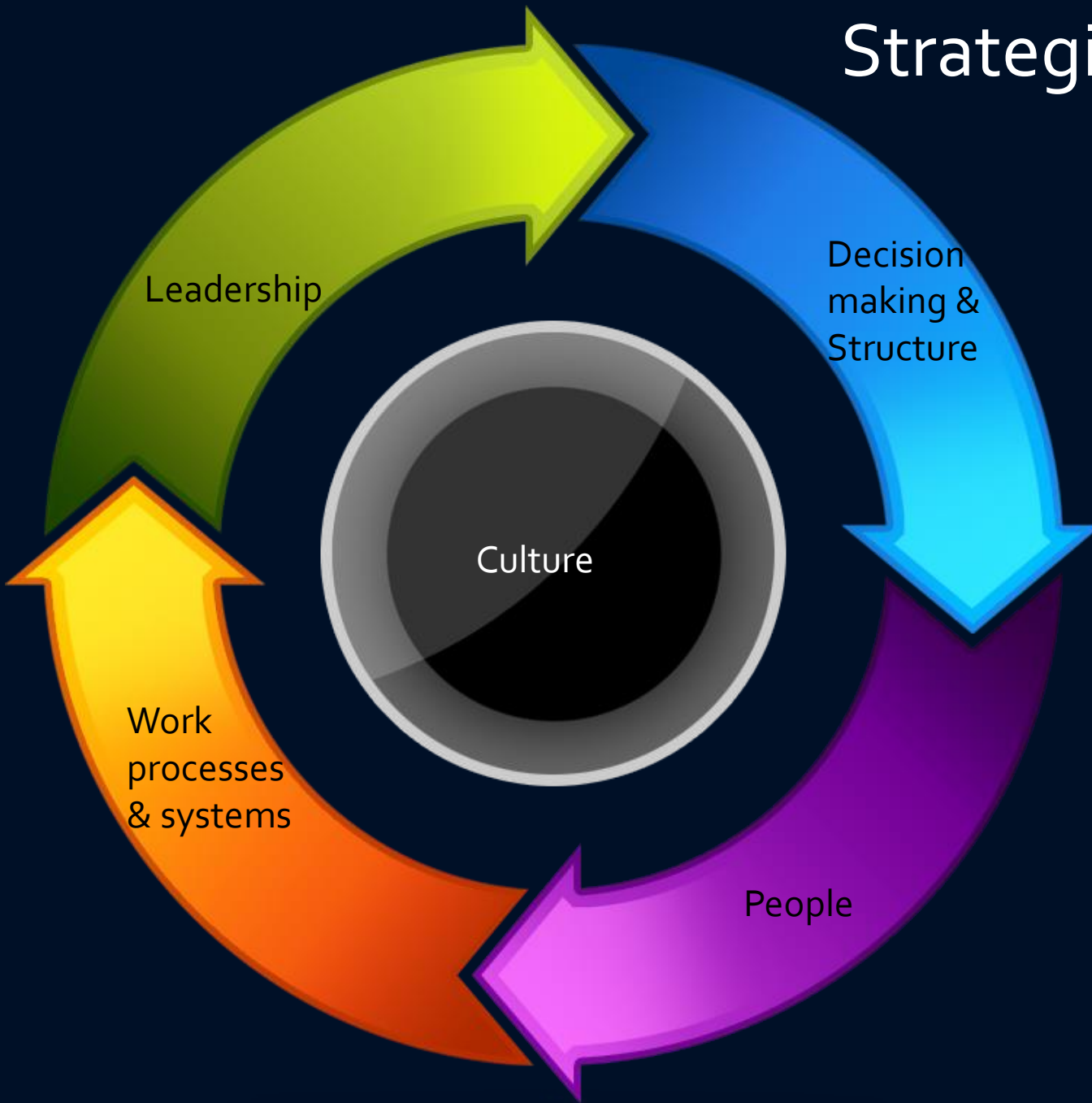


Elements for Success

- Mission, Vision and Values
- Processes
- Goals
- Communications and Coordination
- Authority and Accountability
- Resources



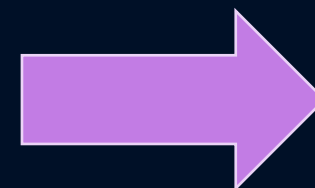
Strategic Success Model



- Clear vision and priorities
- Cohesive leadership team



- Clear roles and accountabilities for decisions
- Organization structure that supports objectives



- Organization and individual talent necessary for success
- Performance measures aligned to objectives



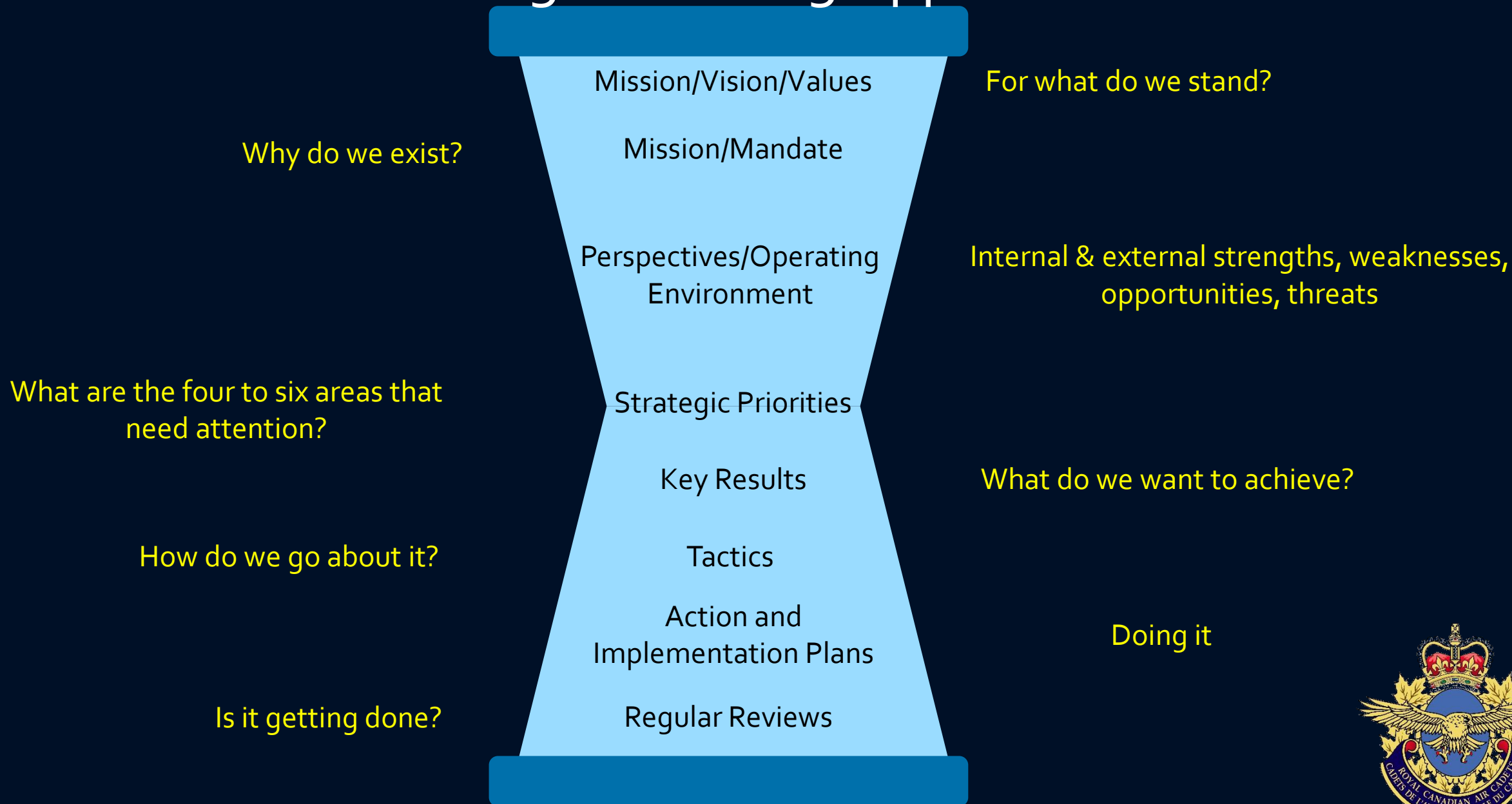
- Superior execution of programs and work processes
- Effective and efficient support processes and systems



- "High performance" values and behaviours
- Capacity to change



Strategic Planning Approach



Strategic Directions

➤ Main Focus Areas

- Governance – identify and implement an effective governance model/organization structure
- Support Services – Investing in people, programs and assets
- Recruiting – how to attract and retain – cadets, CIC, CI, volunteers
- Accommodation – advocate for adequate, sustainable, affordable space



Strategic Directions Focus for this year

➤ Governance

- How to best support DND renewal and restructuring
- Bylaw alignment
- Letters of Affiliation
- Directors and sub-committees roles, responsibilities, terms of reference



Strategic Directions Focus for next year

- Support Services
- Recruiting
- Accommodation



Tactics

- Taming a wild idea is easier than breathing life into a dead one.
- Shared Vision and Shared Leadership.
- Leverage the capacity of the system and benefit everyone in the system.
- Stewardship.
- Partnerships.

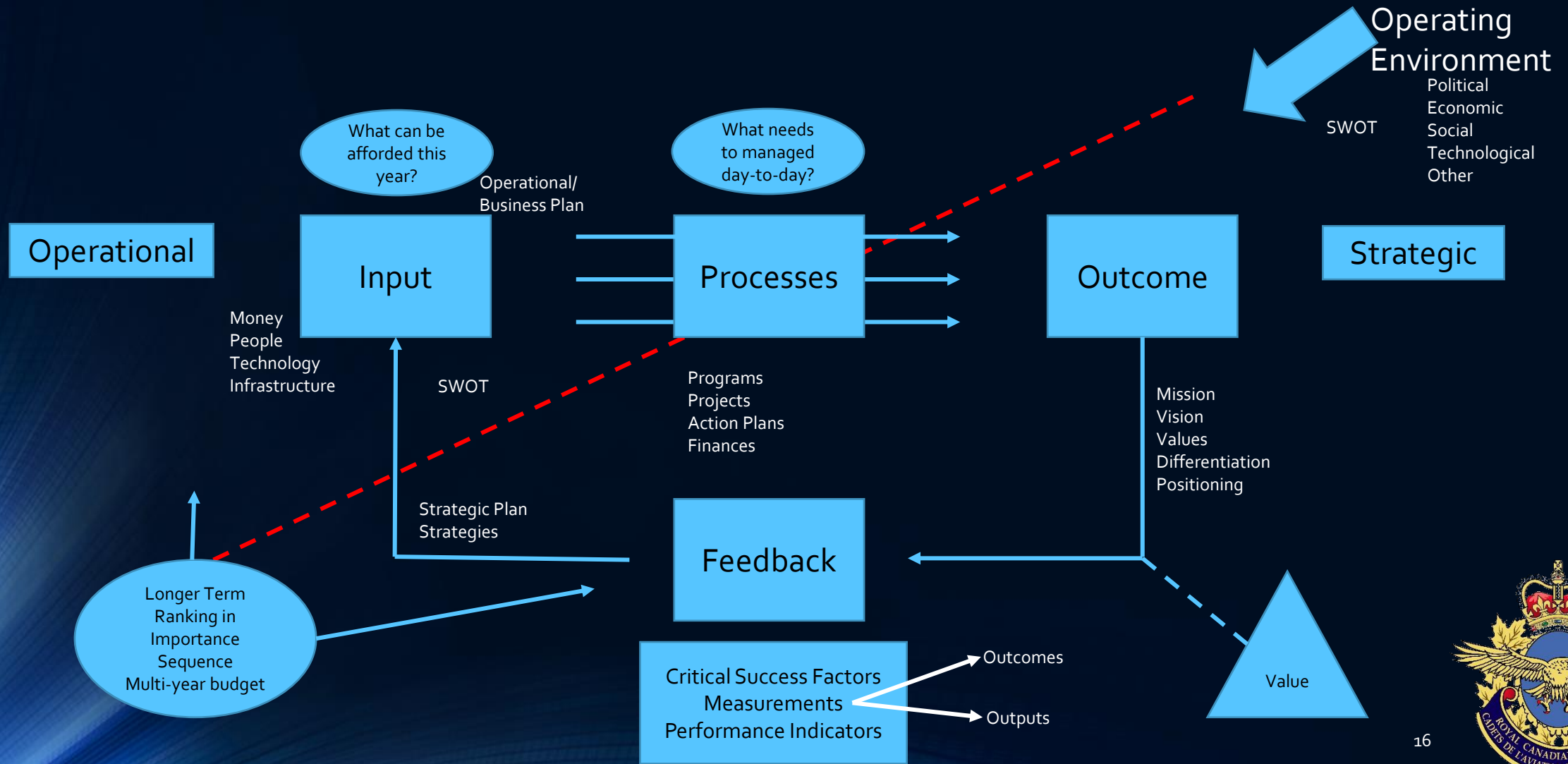


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Strategic Planning and Management Model



Strategic Planning and Management Model

➤ Outcomes (Goals From Strategic Plan)

- Effective (relationship) connectivity with the National body and the local level Squadron;
- A safe, viable, and sustainable program for Air Cadets in Alberta;
- A collaborative network of military, league, communities and cadets who are aligned and connected;
- broad-based awareness of the program, the league's assets, and the importance of this program in Alberta



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Critical Success Factors

- Linked to Strategic Goals
- Goals From the Strategic Plan
 - Effective (relationship) connectivity with the National body and the local level squadron;
 - A safe, viable, and sustainable program for Air Cadets in Alberta;
 - A collaborative network of military, league, communities and cadets who are aligned and connected;
 - broad-based awareness of the program, the league's assets, and the importance of this program in Alberta



Critical Success Factors

➤ 7 Critical Success Factors

➤ Three main categories of our activities/operations:

- Support to Squadron Sponsoring Committees (2);
- APC supported or organized provincial level events/activities (Provincial Effective Speaking, Gliding, etc.) (4); and
- National level compliance and alignment with National goals, objectives, policies and procedures (1).



Outline

- Elements For Success
- Strategic Success Model
- Strategic Planning and Management Model
- Critical Success Factors
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Next Steps (1/4)

- Determine processes for
 - Effective (relationship) connectivity with the National body and the local level squadron;
 - A safe, viable, and sustainable program for Air Cadets in Alberta;
 - A collaborative network of military, league, communities and cadets who are aligned and connected; and
 - broad-based awareness of the program, the league's assets, and the importance of this program in Alberta.



Next Steps – CRA (1/12)

Strategic planning implications to the APC and SSCs

CRA review of the ACL

- Not aware of half of the SSCs.
- Attempted to work with National
 - CRA initial approach combine all the SSCs into one corporation - would not work as all the SSCs have to be incorporated under the same legislation .
 - The SSCs are incorporated under the different provincial laws .
- The current CRA proposal is to combine all the SSC and APC Registered Charities in Canada into one Registered Charity.



Next Steps – CRA (2/12)

Strategic planning implications to the APC and SSCs

Why concerned?

- Impact on non-profits (NPs) – incorporated and unincorporated
 - Information return late filing penalties – Up to \$2,500 per year.
 - Additional administrative burden – preparing returns.
 - Cost increase to comply - hiring an accountant.
 - Difficulty recruiting board members.
 - Additional compliance concerns – CRA rules on NP expenditures particularly no direct or indirect benefits to members.



Next Steps – CRA (3/12)

Strategic planning implications to the APC and SSCs

Does the Income Tax Act Apply to SSCs

- Our SSCs are in the not for profit sector
- Short answer – YES
- Applies to incorporated and unincorporated SSCs



Next Steps – CRA (4/12)

Strategic planning implications to the APC and SSCs

How does the ITA apply to an SSC?

➤ Determination – fall into one of three definitions

Non-profit Organization (NPO)

Charity

Registered Charity



Next Steps – CRA (5/12)

Strategic planning implications to the APC and SSCs

Non-profit Organization - an association, club, or society (incorporated or not) that -

- (a) is not a charity
- (b) it is organized exclusively for the purposes of
 - social welfare,
 - civic improvement,
 - pleasure,
 - recreation, or
 - any other purpose except profit
- (c) it does not distribute or otherwise make available for the personal benefit of a member any of its income.



Next Steps – CRA (6/12)

Strategic planning implications to the APC and SSCs

Charity - means a charitable organization or charitable foundation

- (a) use their resources for charitable activities
- (b) it has one or more of the following charitable categories
 - the relief of poverty
 - the advancement of education
 - the advancement of religion
 - other purposes that benefit the community
- (c) no part of the income of which is payable to, or is otherwise available for, the personal benefit of any member, trustee or settlor thereof.



Next Steps – CRA (7/12)

Strategic planning implications to the APC and SSCs

Registered Charity - a charity that applies to CRA to be approved for registration.

- be resident in Canada
 - be established and operated for charitable purposes, and
 - devote its resources (funds, personnel, and property) to charitable activities.
- CRA will no longer accept Registered Charity Applications from SSCs



Next Steps – CRA (8/12)

Strategic planning implications to the APC and SSCs

Exemption of Taxable Income (incorporated or unincorporated)

- NPO – exempt under ITA 149 (1)(l).
 - Registered Charity – exempt under ITA 149 (1)(f).
 - Charity – is not tax exempt.
-
- NOTE – when Registered Charity status lost or lapses you are a Charity not an NPO.



Next Steps – CRA (9/12)

Strategic planning implications to the APC and SSCs

Reporting	NPO Incorporated	NPO Unincorporated
CRA corporate tax return – T2	YES	NO
Alberta corporate tax return – AT1	YES	NO
Annual changes to board of directors	YES	NO
NPO return T1044	MAYBE	MAYBE

NPO return T1044 (passive revenue > \$10,000 or assets > \$200,000; or required)



Next Steps – CRA (10/12)

Strategic planning implications to the APC and SSCs

Reporting	Registered Charity	Charity Incorporated	Charity Unincorporated
CRA corporate tax return – T2	NO	YES	NO
Alberta corporate tax return – AT1	NO	YES	NO
Annual changes to board of directors	YES (on T3010)	YES	NO
Registered Charity return T3010	YES	NO	NO
Trust return T3	NO	NO	YES



Next Steps – CRA (11/12)

Strategic planning implications to the APC and SSCs

NPO (Unincorporated) Issues

- Minimal reporting
- Still subject to CRA rules and audit
- Could request filing of an NPO return
- Could determine not an NPO but a charity – removes tax exempt status - and file as a Trust
- Trusts are taxed at highest personal rate on income not spent during year



Next Steps – CRA (12/12)

Strategic planning implications to the APC and SSCs

Options

- Do nothing – CRA may eventually get around to you.
- Each SSC comply individually as best they can.
- Voluntarily work with CRA
 - APC works with all SSCs who are NPOs to comply with CRA rules and filing to avoid penalties and interest.
- Meanwhile – examining restructuring the APC and SSCs to minimize the reporting burden and compliance risks in some way.



Next Steps (2/4)

- As Governance was determined to be the top priority because of the need for an effective structure and governance model in order to align the rest of our roles and responsibilities.
- A draft organizational chart for discussion will be circulated just prior to the meeting. The goal is to have a restructured APC ready for presentation and discussion at the AGM



Next Steps (3/4)

- Once the structure is agreed to then the work can commence on the remaining Strategic Priorities (Support Services, Recruiting, and Accommodation) as well roles and responsibilities including any amendments to governing documents that will be required.
- **Notional target is to have the amendments presented passed at the 2018 AGM.**



Next Steps (4/4)

- We can then look at our activities and critical success factors to determine what strategies will work and what the associated performance indicators are. **Notional target is to have the processes in place and amendments to documents presented and passed at the 2019 AGM.**
- We then can start annual business planning. **Notional target is to have the first business plan for budget year 2019 - 2020.**



Success



What people
think it looks like

Success

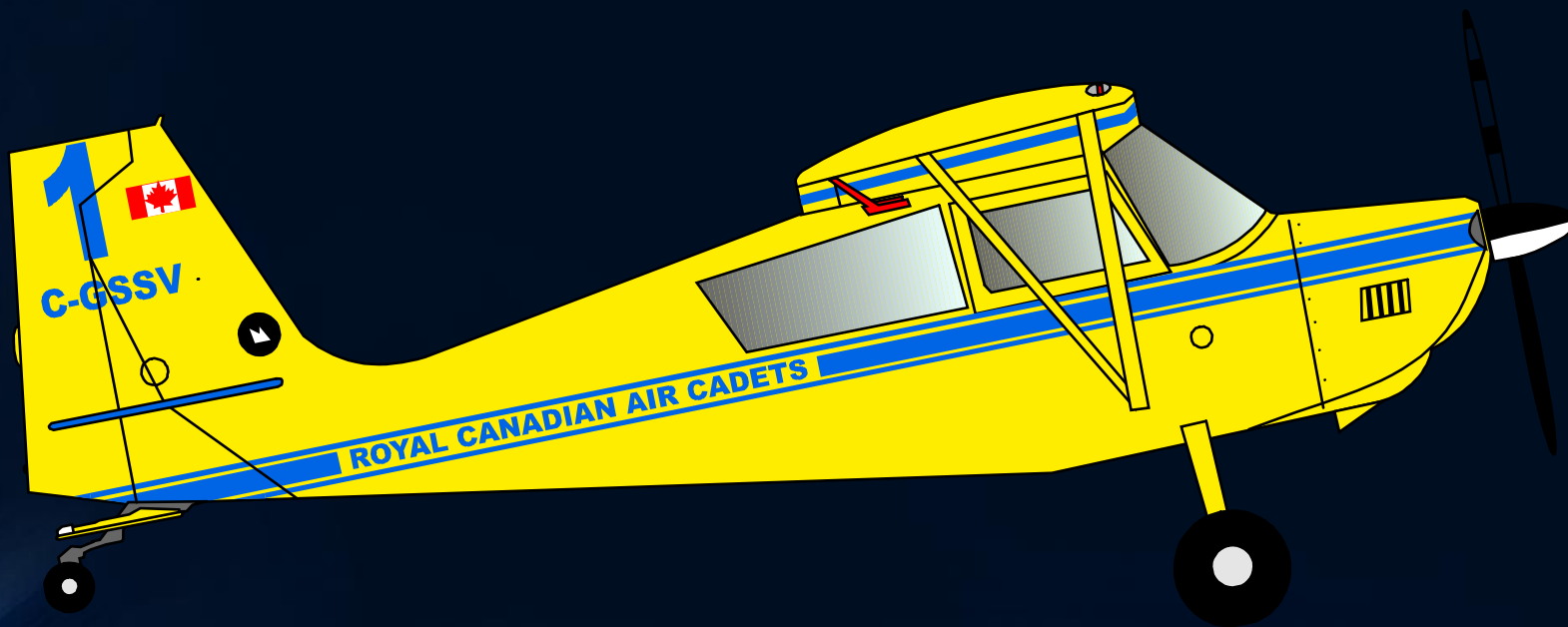


What it really
looks like





Thank You!



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Questions