



FINANCIAL CONTRIBUTIONS TO COMMUNITY ORGANIZATIONS POLICY

Applicability: All CVRD

Effective Date: February 25, 2026

PURPOSE:

To provide a clear framework for analyzing financial contributions to community organizations, and to establish transparent, consistent processes for assessing, approving, and monitoring these contributions. The policy also outlines reporting structures and requirements to ensure accountability and prudent stewardship of public funds.

BACKGROUND/SCOPE:

The Cowichan Valley Regional District (CVRD) is committed to accountability to its communities and residents for the responsible management of public funds. The CVRD seeks greater understanding of recipient organizations' deliverables, and their organizational capacity to achieve deliverables. The CVRD also seeks improved transparency in the processes used to fund recipient organizations – both those currently receiving contributions and those seeking funding for the first time. In its funding decisions, the CVRD will consider the principles of natural justice, including fairness, clarity of process, the right to be heard, and evidence-based decision-making. In its funding decisions, the CVRD will also consider if the contribution is aligned with the strategic priorities of the Board, or existing services, while noting that community organizations not aligned may still contribute broad community benefit, and could be financially supported.

DEFINITIONS:

For the purposes of this policy, the following definitions apply:

1. **Board** – The Board of Directors of the Cowichan Valley Regional District (CVRD).
2. **Committee of the Whole (COTW)** – A meeting of the Board convened as a Committee of the Whole to consider matters such as budgets, service levels, and funding decisions.
3. **Community Organization** – Any corporation, society, association, partnership, trust, board, commission, public authority, Indigenous governing body, unincorporated group, or other legal or quasi-legal entity to which the CVRD is authorized under the *Community Charter* or the *Local Government Act* to provide financial assistance, in furtherance of a regional district purpose.
4. **Deliverables** – The specific services, programs, activities, outputs, or outcomes that a recipient organization commits to providing in exchange for financial contributions from the CVRD.
5. **Financial Contribution** – A monetary payment provided by the CVRD to a community organization to support the delivery of services or programs.
6. **Funding Agreement** – A written agreement between the CVRD and a recipient organization that outlines the purpose of the funding, deliverables, reporting requirements, payment terms, and accountability obligations.

7. **Multi-Year Agreement** – A funding agreement approved by the Board that spans more than one fiscal year, with continued funding contingent upon meeting annual deliverables and reporting requirements.
8. **Natural Justice** – Principles that ensure fair decision-making processes, including transparency, clarity of process, the right of community organizations to be heard, impartiality, and evidence-based decision-making.
9. **Recipient Organization** – A community organization that receives or is seeking a financial contribution from the CVRD under this policy.
10. **Regionally Funded Organization** – A community organization that receives financial contributions to provide services benefiting residents across the entire CVRD.
11. **Reporting Structure** – The required schedule, format, and content of financial and performance reporting that recipient organizations must provide to the CVRD as a condition of receiving funding, and corresponding actions by the CVRD to assess, approve, and monitor the contributions.
12. **Service Enhancement** – A request for new or increased funding to expand, improve, or modify an existing service or to introduce a new service, subject to alignment with the CVRD's budget mandate.
13. **Sub-Regionally Funded Organization** – A community organization that receives financial contributions to provide services benefiting residents within a defined portion of the CVRD rather than the entire region.

POLICY:

1. FUNDING AGREEMENTS

- a. All financial contributions of \$5,000 or greater require a signed, standard funding agreement between the CVRD and the recipient organization.
- b. Funding agreements must explicitly state that the recipient organization is solely responsible for the management, supervision, operation or delivery of the services.
- c. Funding agreements should identify the recipient organization's commitment to asset management, if applicable.

2. PRINCIPLES OF NATURAL JUSTICE

- a. Recipient organizations will be notified annually of upcoming budget requirements and evaluation processes.

- b. Recipient organizations will have opportunities to review financial and performance information, respond to concerns, and participate in scheduled discussions during review periods.
- c. Funding decisions will be based on relevant evidence through standardized templates.
- d. When reducing or eliminating funding, the Board will provide rationale grounded in the evidence provided.

3. BASIC REPORTING STRUCTURE: CONTRIBUTIONS \$5,000 TO \$49,999

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#	Timeline	Step	Details	Responsibility
1.	By Mar 31	Budget Approval	CVRD Budget approved.	CVRD
2.	By Apr 15	Funding Notification	Organizations notified of funding for the current year (to be received by August 31). Funding agreement initiated.	CVRD
3.	By May 31	Reporting	Organizations submit financial statements and a deliverables report for the previous year.	Recipient Organizations
4.	Mid-Year	Post-Budget Mandate	CVRD sends letters outlining mandate and deadlines for next year's budget request.	CVRD
5.	Mid-Year	Financial Contribution Review Meeting	CVRD staff meet with the organization to review previous year's deliverables and financial statements, current year's progress and organizational capacity, and proposed budget and workplan for the following year.	CVRD & Recipient Organizations
6.	Mid-Year	Jurisdictional Communication	CVRD staff inform elected officials of proposed requests and potential increases; follow-up may be scheduled if concerns arise.	CVRD
7.	Mid-Year	Service Enhancements	Any requested increase in funding presented as a service enhancement, if aligned with the budget mandate.	CVRD

8.	By Sept	Draft Budget Preparation	CVRD staff input budget request into CVRD budget software.	CVRD
9.	Jan: Special COTW	Budget Consideration	Budgets considered at the Special COTW meeting, with no additional presentations or meetings required.	CVRD

4. ENHANCED REPORTING STRUCTURE: CONTRIBUTIONS \$50,000 AND ABOVE

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4.	Mid-Year	Post-Budget Mandate	CVRD sends letters outlining mandate and deadlines for next year's budget request.	CVRD
5.	Mid-Year	Financial Contribution Review Meeting	<p>CVRD staff and elected officials meet with the organization to review previous year's deliverables and financial statements, current year's progress and organizational capacity, and proposed budget and workplan for the following year.</p> <p>Format for Financial Contribution Review Meeting</p> <p>a. Regionally funded organizations present to COTW.</p> <p>b. Sub-regionally funded organizations in this category meet separately with</p>	CVRD & Recipient Organizations

			CVRD staff and elected officials outside the regular meeting calendar.	
6.	Mid-Year	Service Enhancements	Any requested funding increase presented as a service enhancement, if aligned with the budget mandate.	CVRD
7.	By Sept	Draft Budget Preparation	CVRD staff input budget request into CVRD budget software.	CVRD
8.	Nov – Jan	Contribution Review	One dedicated day for presentations between early November budget presentation and January Special COTW meeting. This is the second meeting for these organizations to allow full review by COTW.	Recipient Organizations
9.	Jan: Special COTW	Budget Consideration	Budgets considered at the Special COTW meeting.	CVRD

5. MULTI-YEAR AGREEMENTS

- a. Multi-Year Agreements may be approved by the Board, and:
 - i. Require that funding is contingent upon meeting deliverables.
 - ii. Continue to follow the same annual reporting and review timelines.
 - iii. Provide opportunities for the recipient organization to address concerns during financial contribution review meetings in the reporting timeline for both reporting structures, before annual funding decisions are finalized.

6. NEW FUNDING REQUESTS

- a. The CVRD will not publicly solicit requests or applications for funding.
- b. Community organizations that voluntarily submit a funding request may be referred to staff to develop a service enhancement request between April 15 and September 30 for the following year's budget.
- c. Staff will identify funding options or required steps to establish a service as appropriate.
- d. Requests received between September 30 and December 31 may be:
 - i. Included in the current budget cycle for the following year; or

- ii. Referred to the next April – September service enhancement development period for consideration in the subsequent budget cycle.

7. REVIEW AND AMENDMENTS

- a. This policy may be reviewed and updated by the Board as necessary to ensure alignment with the CVRD's values, financial practices, and community needs.

Approved by: CVRD Board Approval date: February 25, 2026 Amended:
