



ONTARIO TRILLIUM FOUNDATION (OTF) BUDGET CHANGES – May 3, 2016

ONN is concerned regarding changes to the **Ontario Trillium Foundation's (OTF) general operating budget for 2016-2017**. \$25 million dollars was re-directed by the Ministry of Tourism, Culture and Sport from OTF's general operating budget to a specific capital grant fund, to be managed by OTF, days before the start of the 2016-2017 fiscal year.

We have learned that this \$25 million has been designated to a new one-time grant program for infrastructure/capital projects to support Canada's 150th anniversary in 2017. Currently, there is no public information or details about this new fund, the target beneficiaries, timelines, or who will make the granting decisions. Particularly, we are concerned that if the new capital fund is open to large municipalities, requires matching funds, has short timelines and decisions are made outside OTF's current approvals process, this will cause confusion for the nonprofit sector as well as result in less take-up as nonprofit organizations may not be 'shovel ready' in their capital planning.

ONN supports an increase in capital funding for the nonprofit sector as there remains a serious deficit of capital funding. However, this decision to reallocate funding from OTF's general operating funds for a new capital grant program is of serious concern to Ontario's nonprofits and charities for a number of reasons:

- OTF is already over-subscribed and cannot meet the needs of the sector with their current funding level. In 2015-2016 alone, there were 2,870 applications to OTF totaling \$572 million dollars. OTF was able to support just 640 grants totaling \$101 million. Designating \$25 million to capital within the existing allotment, instead of in addition to the existing allotment, will not result in increased support to address capital needs in communities.
- OTF is an arms length agency of government. Volunteer review committees, supported by staff, make funding decisions that are the best for their communities. Creating a different and separate fund outside of OTF's current capital grants program is unwieldy and unnecessary at this time, particularly as both OTF and nonprofit sector organizations are still in the midst of a change management process for OTF's new systems and priorities.
- We are further concerned that OTF's \$90 million general operating allocation for 2016-2017 would become the new "base" allocation and would not be reinstated back to \$115 million in future budget years.

In light of this news, the Ontario Trillium Foundation has already [closed their April intake](#) for their general capital grant stream.

Read [ONN's full letter to Minister Coteau](#) and [his response to our concerns](#).

We will continue to dialogue with key stakeholders, monitor this situation and keep the sector posted as new information emerges.