

April 8, 2013

ALF GRANT REPORTING

The recent changes to the ALF grant application format, to make it more streamlined and less paper-intensive, have been well received by both applicants and the ALF Board. Some minor revisions will likely be done to the forms prior to the August 26 deadline for the October 7, 2013 ALF Board meeting, based on feedback we have received to date.

Now that the application format has been updated, will ALF require a particular form or format for mid-year and year-end grant reporting?

No specific grant reporting form is required at this time. For some types of service delivery, ALF has worked with certain groups of grantees to design a common form for the presentation of statistics, which will continue to be used until further notice. In terms of report content, in virtually all cases, the type of information required by ALF is similar to what we expect the grantee's own Board would be interested to see for purposes of monitoring outcomes and impact.

For each ALF grant, the timing for mid-year and year-end reporting will be stated in the letter from ALF confirming the grant approval. Generally, the reporting requirements can be summarized as follows:

1. Grant reporting is expected at least every 6 months, unless otherwise noted in the grant approval letter.
2. Each report includes a financial and a narrative report.
3. Audited financial statements are expected to be submitted to ALF within 90 days after the fiscal year end, or as soon as possible thereafter.
4. The mid-year and year-end financial reports include a reconciliation comparing the actual revenue and expenses for the period to the budget that was presented at the time of the grant application, with an explanation of variances.
5. The year-end reconciliation should also help to identify in the audited financial statements of the grantee, the ALF grant funds used in the year.
6. The purposes of the narrative part of the report are to describe progress of the program/project by reference to what was anticipated, as set out in the grant application, and comment on any changes going on in the program/project or the organization.
7. Accordingly, the narrative part of each report should generally follow the order of topics in the Program Description section of the ALF Grant Application Form and include:

- Brief introduction about the organization, and the program/project, reiterating the general goals, objectives and expected impact. Where a grantee has a long history with the Foundation, this point can be very brief.
- Outline of the specific goals or targets for the program/project for the current grant period, as described in the grant application.
- Description of activity and presentation of outputs and outcomes of the program/project for the reporting period in a format that is easy to read and understand.
- Presentation of output and outcome data from other periods or other sources, to be used as a reference in analyzing the data for the current period. In many cases, a table or chart provides a concise way of presenting data.
- Analysis of the current period outputs, outcomes and impact
 - ✓ with specific reference to the goals or targets for the period,
 - ✓ in the context of prior period or other relevant statistics,
 - ✓ with an explanation of variances where applicable.
- Where material variances occur that indicate some necessary adjustments to the program or project, the report should describe what action is being taken to make those adjustments.
- Description of any changes in the organization's key staff, Board of Directors, premises, strategic direction, funding sources or other information relevant to the program, project or the ALF grant.

When preparing ALF grant reports, it is imperative that the original grant application be reviewed as a point of reference for the discussion. It is not sufficient to just present expenditures or statistics for the period. It is also not sufficient to simply state that the program is going well or is proceeding as expected. The most important part of the report is the analysis discussion which should attempt to explain what the numbers mean, i.e., how the work in the reporting period is making a difference to the target community, as anticipated in the grant application.

Another source of inspiration for grant reporting is an insightful article recently published in *The Philanthropist* written by Rayna Shienfield of the Canadian Institute of Chartered Accountants. Although the focus of the article is on the preparation of a non-profit organization's annual report, the principles and concepts of accountability and the key report elements described by Ms Shienfield are equally applicable to any report. This practical piece is recommended reading for all ALF grantees and we encourage you to share it with your Board of Directors as well. ["Accountable Reporting for Nonprofit Organizations", *The Philanthropist*, Vol 24, No 3 \(2012\).](#)

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