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Did You Know?

87¢ of every dollar that the Army receives goes to programs and services. Headquarters' administrative costs account for another 8¢ and fundraising costs are 4¢. The remaining 1¢ covers amortization and other miscellaneous costs.

Editorial

Recently, I was discussing an entity that is financially challenged when one of its stakeholders lamented about how little they could control. I doubt he appreciated the impact his statement would have on me. It has led me to reflect on the concept of control and how out of date it has become in today's complex environment. The reality is that most leaders today control very little, if anything. And, those who try to lead from a position of control are increasingly going to be disappointed by their inability to do so effectively.

"But we are an Army", I can almost hear some colleagues argue. It is their rationalization for hanging on to a "command and control" model of leadership that still feels comfortable, even though it no longer works. Leadership today is more about personal influence than positional power. If we are

to effectively engage those who serve with us, we must follow the example of the best leaders. They know that collaboration, cooperation and consultation work infinitely better than any attempt at control.

This does not eliminate the need for a leader to issue a clarion call to action in some circumstances. But those circumstances are limited. The leader who relies on his positional power to bark orders may find that he is less effective than if he engaged his people in a different way.

If you have to keep reminding people that you are the leader, you're not. If you're really the leader, you'll never need to tell anyone.

Financial Management

CANADA PENSION PLAN CHANGES

There will be a number of changes to the Canada Pension Plan ("CPP"), effective January 1, 2012. One of these is the new Post-Retirement Benefit ("PRB") which will affect officers and employees between the ages of 60 and 70 who are still earning employment income while collecting CPP pension benefits.

Up to now, CPP contributions stopped once you started collecting CPP benefits. Now, if you earn employment income, CPP contributions will be mandatory up to your 65th birthday, and voluntary between ages 65 and 70. If you make CPP contributions while receiving CPP benefits, the contributions will result in PRB payments, which commence in the year after contributions are made. PRB payments will be in addition to regular CPP

benefits and will continue for life.

If you are age 60 or older, you should consider how this change will affect you. Collecting CPP benefits prior to age 65 may be a good idea, but, the earlier you start collecting pension, the greater the reduction in the amount that you will receive. This will affect your income later in life after you have stopped working. You should carefully consider the facts and your financial situation before deciding to take your pension early.

For more information, see the Service Canada and Canada Revenue Agency links below:

<http://www.servicecanada.gc.ca/eng/isp/cpp/posrttrben/main.shtml>

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/clctng/cpp-rpc/cppchng-wh-eng.html>

Operating As A Charity

SAVING THE ENVIRONMENT

We hear so much today about saving the environment. Many of us try to do our part by recycling household items such as our plastic bottles, newspapers, and milk cartons.

But have you ever thought about the impact of your work routine on the environment? We print thousands of pages of paper each year, much of which is tossed in the waste basket or filed in a cabinet, never to be looked at again.

Consider this. Sixteen packages of paper (500 sheets per package) equates to one tree. We can help the environment at the workplace by not only thinking green, but working green.

For example, the Finance department's office in St. John's has reduced its paper usage by 50% in two months, after taking the initiative to reduce the number of copies printed. Staff members were amazed at the number of copies they were using each year and made a conscious effort to cut back on printing.

The Army in Canada has over 500 locations. On an individual basis, the savings may seem small; however, collectively we can make a huge difference.

Here are some simple ways to protect our environment by reducing paper.

- Save documents as .pdf files rather than printing them
- Review documents on your computer monitor rather than in hard copy
- Engage in a recycling program
- Share documents around the office by emailing them
- Select "double sided" when printing documents

It's a new way of thinking which will cut your paper, printing and storage costs and free up funds for direct mission activities. And it shows that we are concerned about the environment!



Money & Mission

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Comments, Suggestions?

Do you have comments on any of the topics raised in this issue, or suggestions for a future issue? Write to us at:

Money&Mission@can.salvationarmy.org.

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In the News

GREATER COMPETITION, ECONOMIC WORRIES PUT PRESSURE ON CHARITABLE GIVING ---

Following the economic crunch that began in the fall of 2008, Canadians have felt more positive about giving to charitable organizations, but that feeling may not last. This is the key finding of a recent study conducted by Ipsos Reid on Canadians and their charitable habits. Ipsos found that 69% of Canadians had made a financial donation to a charitable organization in the past year. That's up from 65%, reported in a similar study in 2009. But their generosity for the future hinges on the economic prospects of the country (source: Ipsos Reid).

DONATIONS AND DONORS UP IN 2010 --- Canadians donated \$8.3 billion to charity in 2010, up 6.5% from 2009. At the same time, the number of donors increased 2.2% to just over 5.7 million (source: Statistics Canada).

THQ APPROVES OMNIBUS EXPENSE POLICY & EXPENDITURE AUTHORITY GUIDELINES --- The Territorial Finance Council has just approved an omnibus staff expense policy and expenditure authority guidelines, both of which will be distributed throughout the territory in early January 2012.

30 YEAR MILESTONE FOR FINANCE STAFF MEMBER --- Shelley Hawkins, payroll accountant in the Toronto office of the finance department, celebrated her 30th anniversary as an employee of The Salvation Army on December 7, 2011. She is the longest serving employee in the department.