

REPORT FROM THE CHAIR 2010-11

This year marked a turning point in SEDI's history with the retirement of SEDI's founder and CEO, Peter Nares. Recognized internationally as a visionary social entrepreneur, Peter has played a pivotal role in reshaping Canada's social policy landscape, finding new ways to empower and create opportunities for low-income Canadians and embedding these in Canada's social architecture.

Under Peter's leadership, SEDI successfully secured the inclusion of self-employment supports into Canada's Employment Insurance system; introduced asset-building approaches into Canada's policy landscape; led the \$30 million *learn\$ave* Individual Development Account demonstration project (the largest of its kind in the world); established the *Canadian Centre for Financial Literacy*, co-founded the \$11.5 million *TD Financial Literacy Grant Fund*; and successfully advocated for the establishment of the federal *Task Force on Financial Literacy*.

Peter's remarkable achievements were recognized in 2008 with a prestigious Ashoka Senior Fellowship, an international award bestowed on outstanding social entrepreneurs who have succeeded in achieving large-scale social change through transformational new ideas.

Today, SEDI continues to build on these ideas, carrying forward Peter's legacy in the areas of asset building and financial literacy and seeking new ways to support self-employed and precariously employed Canadians in their quest for greater economic security in an increasingly volatile labour market and economy.

Chief among the highlights of the past year was the launch of the *TD Financial Literacy Grant Fund*, co-founded by SEDI and the TD Bank to increase access to financial literacy education for financially excluded Canadians. This year, the fund has provided \$2.4 million in funding to 19 organizations across Canada, enabling them to meet the growing demand in their communities for basic financial education and helping low-income Canadians to develop greater knowledge, skills and confidence with respect to the financial decisions in their lives.

In parallel, the *Canadian Centre for Financial Literacy* (CCFL), launched by SEDI last year with funding from the TD Bank, has gotten off to a strong start, training over 600 staff from 180 community organizations across Canada to deliver financial literacy education to low-income Canadians, helping them to build a better financial future for themselves and their families. At the same time, SEDI played an active role in advising the federal Task Force on Financial Literacy, working to ensure that the perspectives and needs of low-income Canadians are reflected in the Task Force's report.

In the area of asset building, SEDI's groundbreaking work was recognized with a second *Vital Ideas Award* from the Toronto Community Foundation. This has enabled us to move forward with development and testing of a new Opportunities Account for Youth in Care. Delivered in partnership with the Toronto Children's Aid Society and the Catholic Children's Aid Society of

Toronto, this project will provide 300 youth in care with specialized financial literacy training to support their transition to independent living, and will test the effectiveness of an incentivized saving program in enhancing access to post-secondary education, job training, and housing.

None of this work would be possible without the generous support of SEDI's public, private and community sector sponsors and partners who provide critical resources, in-kind support, and expertise for our programs. In recognition of their support, SEDI pays close attention to the stewardship of the funds it receives, respecting all agreements governing their disbursement, adhering to conservative investment practices, and applying appropriate financial controls and Board oversight to our day-to-day operations.

As a result, as of March 31, 2011, SEDI's financial position was solid with a sustainability fund of \$669,353 providing flexibility in the event of unforeseen financial challenges and the organization received a clean year-end audit report with no issues of materiality identified by the auditor. Steps taken to diversify revenue sources have also begun to yield a good balance of funding support from different sectors and we continue to launch new programs and initiatives that are indicative of the continued strength of SEDI and its reputation with key funding partners.

As we move into the next year and embark on a new round of strategic planning, we will continue to be vigilant in managing our resources to avoid any over reach and to position SEDI for continued stability and long term sustainability in the face of ongoing economic uncertainty. At the same time, we will continue to pursue an ambitious innovation agenda aimed at testing and developing new ideas to inform Canada's social policies and programs aimed at expanding social and economic opportunity for low-income Canadians.

To this end, SEDI welcomes its new incoming CEO, Laura Watts, a leader in the field of elder law reform and advocacy, and looks forward to embarking on its next phase with renewed energy and ideas.

John Capozzolo
Chair, Board of Directors