

From the Editor

This issue continues our usual combination of opinion and instruction aimed at boards, financial managers and...the public at large.

Ed Waitzer, Chair of the Ontario Securities Commission, was active in philanthropy and a onetime member of our Editorial Board before his appointment. He gives us the benefit of some time for reflection in his article on social capital, an increasingly popular angle for the analysis of the third sector. In the same broad vein, John Hodgson draws on his years of experience in the field to provide some perspective on current initiatives of the United Way of Greater Toronto, which he finds open to question.

Boards and financial managers alike want to know how much their programs cost. Those asking that question, in government or among private funders, are making it harder by looking for accurate breakdowns of cost figures among programs and benefits. The article by Professor Cutt and his colleagues should help respond to that demand through a practical method of allocating costs across an organization's activities.

Cynthia Orr returns to our pages with an update on the CICA guidelines for accounting for nonprofit organizations whose earlier versions were discussed at length here. At least some of the criticisms seem to have been addressed in the new version.

We also read here of theories of corporate control and their application to the nonprofit sector. Elements of sophistication are creeping into these theories, which take one far beyond tracking the money in a traditional audit.

As usual Jim Phillips keeps us up to date with legal developments, including this time some pertinent notes on conflicts of interest. Heather Hisey presents a couple of reviews of current books, on whose usefulness our reviewers divide. That seems to be the nature of opinion: divided, but informed and, we hope, well expressed.

A handwritten signature in black ink, reading "John D. Gregory". The signature is written in a cursive, flowing style with a long, sweeping underline that extends to the right.

JOHN D. GREGORY
Editor