

CFP Regional Evaluation – PacifiCan Management Response and Action Plan (MRAP)

	Recommendation	Agree/ Disagree	Actions	Responsibility	Target date
1	<p>Support the CFBC in working with CFs to develop and implement a modernization strategy for the CFP in BC. To help keep pace with changes that will impact the CFP going forward (especially advances in technology), the CFBC should be asked to lead development and implementation of a modernization strategy. While some improvements can be made at the CF level, many are best undertaken at the network level. As such, CFBC needs to play an important role in coordinating change and assisting CFs in making improvements.</p>	Agree	<p>Action: PacifiCan will work with CFBC to develop and implement a modernization strategy for the CF network in BC. This will include exploration of the following, which align with other recommendations from this evaluation:</p> <ul style="list-style-type: none"> • Enhancing CFBC’s role in supporting the CF network in BC; • Improving the operational efficiency of the network; • Optimizing the number and distribution of CFOs; and • Incentivizing better performance outcomes. 	DG/ Performance and Program Policy	March 31, 2028
2	<p>Review and refine the program funding model, as needed, to ensure sustainability, effectively balance the three sources of funding, and incentivize improvements in operations. The operations of CFs and CFBC are funded through a mix of dedicated CFP budget allocations, occasional temporary supplementary funding, and transfers from investment funds. In 2022–24, PacifiCan provided nearly \$11.2 million, with CFs also increasingly relying on investment fund transfers, which added up to 31% of the operating budget for some. Many CF managers recommended</p>	Agree	<p>Action: In line with planned action outlined in response to Recommendation 1, PacifiCan will review the funding approach to achieve greater efficiency.</p>	DG/ Performance and Program Policy	March 31, 2028

	increasing core funding to address staffing challenges, enhance technology, and sustain services, particularly in rural areas facing talent shortages.				
3	<p>Strengthen the Minimum Performance Standards (MPS) Model.</p> <p>While key informants strongly support the CFP, representatives from PacifiCan, network partners, and CF managers acknowledged that some CFs are underperforming. Strong leadership and governance are closely tied to CF success, while weaker CFs tend to be less proactive, experience more staff turnover, and struggle to stay visible in their communities. Recruiting and training capable managers and board members is particularly challenging in smaller or remote areas. Diversity on boards was highlighted as important for modernization and outreach. PacifiCan’s Minimum Performance Standards (MPS) model sets targets based on regional characteristics, and while most CFs meet or exceed these, the model is outdated and often lacks real impact. Many CFs view the standards as administrative requirements rather than tools for performance improvement. Key concerns include low ambition in target-setting, lack of consequences or support for underperformance, and unclear indicators. To be effective, the MPS should be updated to include more meaningful targets, clearer priorities, and potentially tied to funding or required improvement plans.</p>	Agree	<p>Action: In line with the planned action outlined in response to Recommendation 1, PacifiCan will work with CFBC to review the current Minimum Performance Standards (MPS) model and enhance performance, including by:</p> <ul style="list-style-type: none"> • Reviewing the key performance indicators and minimum targets; • Reviewing the current performance groupings of CF organizations for relevance and/or modifications; and, • Creating greater incentives for CF organizations exceed minimum performance standards. 	DG/ Performance and Program Policy	March 31, 2028
4	<p>Review options to increase the value of CFP loans outstanding.</p> <p>The active loan percentage in British Columbia declined from 68% in 2018–19 to 58% in 2022–23, then rose to 63% in 2023–24. Increasing the value of loans outstanding could improve the</p>	Partially Agree	<p>Action: PacifiCan will consider strategies to increase the percentage of active CFP loans, including through the actions noted in response to Recommendation 1, and by</p>	DG/ Performance and Program Policy	March 31, 2028

	<p>economic impact of CFP relative to PacifiCan’s operating contributions. To boost loan activity, three strategies should be considered: raising awareness through coordinated marketing and common branding; introducing performance-based incentives for CFs that exceed loan targets; and increasing the \$150,000 loan cap, which has not been updated since 2010. Most stakeholders believe raising the limit would not create competition with banks, as CFs serve different client segments and banks have withdrawn from many of these communities.</p>		<p>supporting CFBC in their efforts to boost awareness of the program and improve CFP loan delivery across the BC CF network. PacifiCan will also encourage BC CFs to use existing flexibilities to provide loans exceeding \$150,000 on an exceptional basis.</p>		
5	<p>Examine the benefits and, if warranted, develop a strategy or plan to optimize the number and distribution of CFs in BC. PacifiCan, CF network partners, and CF managers discussed the potential benefits of reducing the number of CFs to improve efficiency, better align services with demand, and free up funding for broader system improvements. Some suggested excluding high-population areas, noting that nearly 40% of the population served in BC lives in communities over 100,000 people, where the need for CFP support may be lower. Others argued that need can vary regardless of size. Amalgamating CFs in remote or overlapping regions was also explored, though barriers such as funding limits, community concerns, and governance challenges have discouraged consolidation. PacifiCan should explore an optimization strategy, review the distribution of CFs, and reduce financial disincentives to encourage consolidation where appropriate.</p>	Agree	<p>Action: In line with the planned actions outlined in response to Recommendation 1, PacifiCan will work closely with the CFBC to develop and implement a strategy to optimize the number and distribution of CFOs in BC.</p>	DG/ Performance and Program Policy	March 31, 2028
6	<p>Examine options and develop a strategy to increase the participation of key target groups in the CFP. According to Statistics Canada reporting, the percentage of businesses in BC that received CFP loans and are majority owned by women,</p>	Partially Agree	<p>Action: PacifiCan will continue to collect CFP performance data for clients served in the following inclusivity groups: women, youth, Indigenous, persons with disabilities.</p>	DG/ Performance and Program Policy	Ongoing

	<p>Indigenous peoples, youth, and persons with disabilities did not vary significantly from the percentages among SMEs that did not receive a CFP loan. Stakeholders noted uneven application of diversity, equity, and inclusion (DEI) practices across the network, with many CFs lacking strategic frameworks, training, or targeted services. Underserved groups continue to face barriers such as stigma, limited outreach, and unsuitable program design. Possible options to improve equity: recommendations include setting participation targets, enhancing outreach, diversifying staff and boards, offering tailored supports, adapting service delivery, and embedding DEI into strategic planning and training.</p>		<p>Action: PacifiCan will continue to encourage diversity, equity and inclusion in CF organizations, including by encouraging that CF boards reflect their communities. CFs are independent, non-profit organizations that are ultimately responsible for board governance and staffing decisions, including the adoption of any DEI practices.</p>		
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