

TORONTO LIVE FOUNDATION -ROADMAP

CONSIDERATIONS

Private and Public Foundations are an essential part of the Canadian charity sector. With the COVID-19 pandemic, there have been increasing demands on them to show flexibility and to ramp up giving.

There are over 10,000 foundations (5800 private and 5000 public), and CRA is increasingly auditing them as CRA prioritizes higher risk registered charities with higher assets and expenditures for audits. It is vital that directors and staff of foundations understand their legal obligations to avoid problems such as compliance agreements, penalties, revocation, and directors and officers becoming ineligible individuals.

Additional information is available through the [Fundamentals of Running a Private or Public Foundation in Canada 2020](#) online course.

The program focuses on compliance issues, emphasizing those specifically relevant to running a private or public foundation that is a registered charity in Canada. While some foundations give out a small amount each year – others are giving hundreds of millions. Large gifts might have been \$10-20 million a few years ago but are now often \$100 million and over.

ENVIRONMENT SCAN

Below are some examples of organizations that have established separate foundations to support their missions.

Toronto Public Library Foundation

The Toronto Public Library Foundation is a registered charity that raises funds to support the exemplary collections, groundbreaking programs and services, and the innovative community spaces at the world's busiest public library system; Toronto Public Library.

Since its inception in 1997, the Foundation has raised over \$88.5 million thanks to generous donors and corporate partners. Donating to Toronto Public Library is an investment in literacy, education, culture and the vitality of a world-class city.

Canadian Opera Company Endowment Foundation

The Canadian Opera Company has been a vital part of the Toronto arts community for generations. Sustained artistic excellence over the long-term requires visionary supporters who take the long view and support the Canadian Opera Foundation.

Established in 1986, the Foundation invests gifts it receives and makes annual grants to support COC programs. By pooling donations and investing them, the Foundation is able to provide ongoing annual support, protecting the COC from short term economic pressures, while also re-investing part of the income generated from donations to account for inflation over time.

National Ballet of Canada Endowment Foundation

Gifts to the Endowment Foundation are an investment in The National Ballet of Canada and a legacy for future artists and audiences. A strong endowment helps ensure the long-term financial stability of the National Ballet and gives confidence to the company's leadership to plan and pursue ambitious artistic goals.

Established in 1999 with an original gift of \$100,000, the National Ballet's Endowment Foundation currently manages \$74.6 million in investments, raised through the generosity of private donors, corporate gifts and government matching programmes. Income from this capital provides ongoing funding to the National Ballet in order to develop its talented artists, produce innovative new works and share this repertoire with audiences nationally and internationally for years to come.

TORONTO LIVE FOUNDATION BACKGROUND

Incorporated: November 30, 2018

The Toronto Live Foundation was created in part to take advantage of endowment matching incentives, for which it ended up not being eligible. The City of Toronto's donation policy provided an additional challenge for fundraising because it requires City Council approval for any gift over \$50K.

The Foundation was seeded in July 2019 with reserve funds from TO Live in the amount of \$2,323,000.

CHARITABLE PURPOSE

1. To receive and maintain a fund or funds and to apply all or part of the principal and income therefrom, from time to time, to make grants to TO Live, or its successor, so long as it remains a qualified donee under the Income Tax Act (Canada).
 - a. To make grants to TO Live for operational purposes;
 - b. To make grants to TO Live for capital programs;
 - c. To invest into an endowment or investment fund for the purposes TO Live including, but not limited to, operational and capital requirements.
2. To undertake activities ancillary and incidental to the attainment of the above charitable purposes

MEMBERSHIP & MOU

BY-LAW NO. 2018-1, date December 19, 2019, established TO Live, formerly Civic Theatres Toronto (CTT), as the sole member.

The memo, dated December 31, 2019, directed that the bylaw be changed, as the City of Toronto took the view that the Foundation must be recognized as an "external and legally independent entity from CTT Agency and Board (and the City) that determines its own board structure and appointment of its members."

As per the MOU between TO Live and the Toronto Live Foundation:

- The role of the Foundation is to secure philanthropic donations for the purposes of providing grants to TO Live, including
 - Cash donations;
 - Grants;
 - Gifts and gifts-in-kind;
 - Bequests;
 - Endowments; and
 - Donor membership programs.
- TO Live agrees to provide office space, furniture and office equipment for the Foundation staff (at 1 Front Street East).

CURRENT FOUNDATION BOARD

As per the Foundation's By-Laws:

- A minimum of three (3) directors, incorporation application and charitable registration, set them as:
 - Robert Foster, President
 - Kevin Garland, Director
 - Sandra Laronde, Director