

Foundations for Beginners

Reading Between the Lines

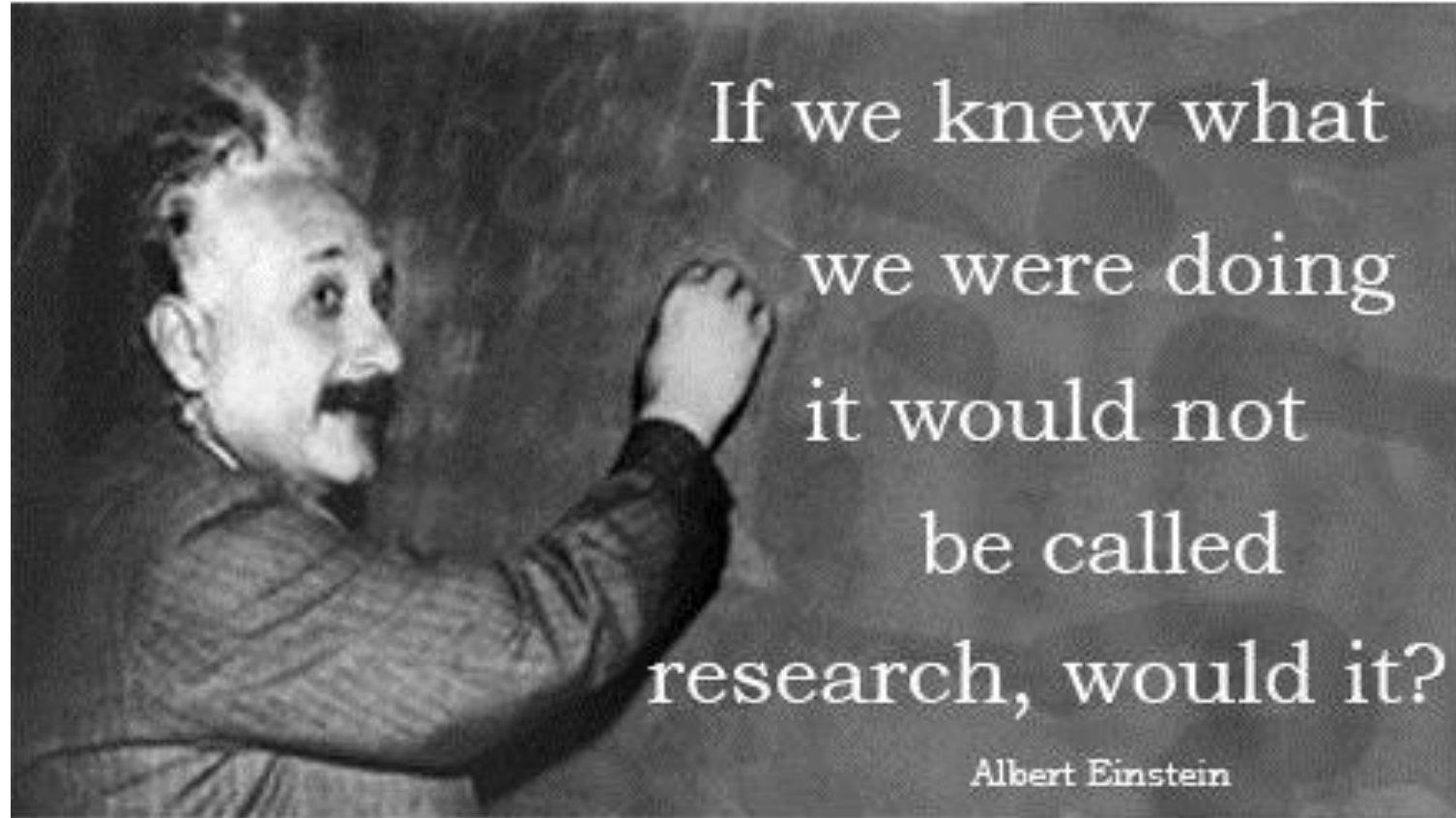
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Senior Research Strategist
University of Calgary

SESSION DATE: 13 October 2016

SESSION TIME: 10:30 am – 11:45 am





Focus

- Finding new foundation prospects
- Screening prospects for fit
- Interpreting financial information



Where to begin?

- Look for linkages
- Conduct the search
- Go to the source
- Past giving



Look for Linkages - Case Study

- New research and treatment program for children with diabetes
 - Broad terms
 - Specific terms



Past Giving

- Assess giving patterns:
 - Recipients
 - Multiple/ multi-year
 - Demographics / region
 - Largest gifts
 - Mean / median / mode
 - “Test” gifts



Case Study

2014

National Pediatric Foundation
Location: Springville, AB
Total amount of gifts: \$1,000,000

Hogeway Senior Care
Location: Florin, PEI
Total amount of gifts: \$407,261

Central Canadian University
Location: Guilder, ON
Total amount of gifts: \$360,892

ROUS Patient Support and
Research Group
Location: Cicely, BC
Total amount of gifts: \$249,999

Kirk Academy for Children's
Sports
Location: Fort Baker, ON
Total amount of gifts: \$249,999

Irumodi Syndrome Foundation
Location: Picard, SK
Total amount of gifts: \$18,152

2013

National Pediatric Foundation
Location: Springville, AB
Total amount of gifts: \$1,250,000

Central Canadian University
Location: Guilder, ON
Total amount of gifts: \$300,000

ROUS Patient Support and
Research Group
Location: Cicely, BC
Total amount of gifts: \$249,999

Hogeway Senior Care
Location: Florin, PEI
Total amount of gifts: \$53,842

Kirk Academy for Children's
Sports
Location: Fort Baker, ON
Total amount of gifts: \$24,999

2012

National Pediatric Foundation
Location: Springville, AB
Total amount of gifts: \$1,500,000

Central Canadian University
Location: Guilder, ON
Total amount of gifts: \$250,000

National Council for Post-
Secondary Institutions Food
Banks (NCPIFB)
Location: Perth, ON
Total amount of gifts: \$49,999

Hogeway Senior Care
Location: Florin, PEI
Total amount of gifts: \$53,842

Kirk Academy for Children's
Sports
Location: Fort Baker, ON
Total amount of gifts: \$24,999



Options for Smaller or Private Foundations

- Founder / president
- Directors



Common Giving Restrictions

- Types of gifts
- Types of recipients
- Geography



Potential Red Flags

- Unsolicited applications
- Alignment with funding types
- Scope
- Requirements
- Connectors



Going Deeper – Looking at Financials

Key Terms

- Statement of Financial Position (Balance Sheet)
 - Total Assets
 - Total Liabilities
- Statement of Operations (Income Statement)
 - Total Revenue
 - Total Expenditures
- Notes



Financial Reporting to the CRA

- Quick View
- Full View
- Key Sections



Quick View

RALPH E WALDO FOUNDATION – Quick View

[Charity's detail page](#)

Registration no.: 123456789RR0001

Designation: [Private foundation](#)

Programs and activities:

Ongoing programs;

The charity provided donations to support social services, education, and health.

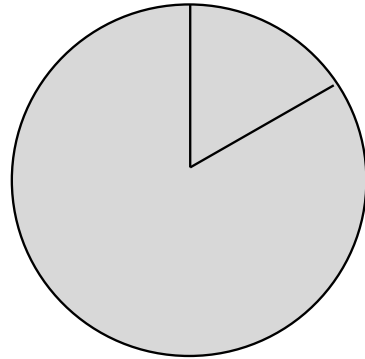
New programs:

Status	
<input type="checkbox"/> Registered	2000-10-31
Reporting periods	
Quick View	Full View
2014-12-31	2014-12-31
2013-12-31	2013-12-31
2012-12-31	2012-12-31
2011-12-31	2011-12-31



Quick View

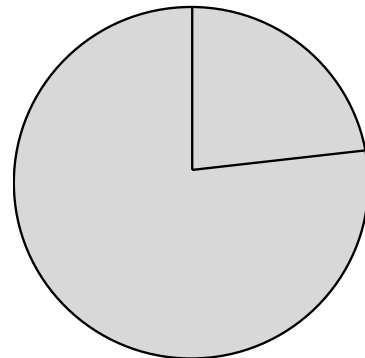
Revenue



- Received donations \$942,768 (18%)
- Non-receipted donations (0%)
- Gifts from other charities (0%)
- Government funding (0%)
- All other revenue \$4,294,834 (82%)

Total revenue: \$5,237,602

Expenses



- Charitable program (0%)
- Management and administration \$566,914 (22%)
- Fundraising (0%)
- Political activities (0%)
- Gifts to other registered charities and qualified donees: \$2,009,966 (78%)
- Other \$0 (0%)

Total expenditures: \$2,576,880



Quick View

Compensation

Total compensation for all positions		\$403,220
Full-time employees	3	
Part-time employees	2	
Professional and consulting fees		\$63,787

Ten highest compensated full-time Positions ▼	
\$160,000 - \$199,999	1
\$80,000 - \$119,999	1
\$40,000 - \$79,999	1

Additional information

[Amending the T3010 information return](#)

[Information for Charity Quick View users](#)

[View the complete T3010 return for the period being displayed](#)

[Completed information returns](#)

[Directors and trustees worksheet](#)



Full View

Registered charity information return

2014 Registered charity information return for RALPH E WALDO FOUNDATION

- ▼ Basic information sheet
- ▼ Section A: Identification
- ▼ Section B: Directors /trustees and like officials
- ▼ Section C: Programs and general information
- ▼ Section D: Financial Information *T*
- ▼ Schedules



Full View

Registered charity information return

2014 Registered charity information return for RALPH E WALDO FOUNDATION

▼ Basic information sheet

Designation:	Private foundation
Fiscal Period End:	2014-12-31
Registration Date:	2000-10-31
Business / registration number:	123456789RR0001
Telephone number:	987-654-3210
Fax number:	987-654-3211
E-mail address:	admin@ralphewaldo.ca
Web site address:	N/A
Public contact name or position:	George M Sampler
Names the charity is known by other than its registered name:	N/A

Program areas:

The three primary areas in which the charity is now carrying on programs to achieve its charitable purposes are listed below and ranked according to percentage and resources devoted to each program area.

Rank	Description	Field Code	% of Emphasis
1	Health – Specialized health organizations, focusing on specific diseases/conditions	F9	50%
2	Education and research – Research (scientific, social science, medical, environmental, etc)	C11	30%
3	Social services – Seniors' services	A6	20%



Full View

▼ **Section A: Identification** *Always review this section as it will indicate whether the foundation has wound-up, dissolved, or terminated operations. Charities must also report whether they are public or private.*

▼ **Section B: Directors /trustees and like officials** *This section has a link to the [Directors/Trustees and Like Officials Worksheet](#) which includes a list of the charity's directors/trustees and their length of service as well as indicates whether they are arms-length from other directors/trustees.*

▼ **Section C: Programs and general information** *This section has a summary of the charity's programs, as well as a link to the [Qualified Donees Worksheet/Amounts Provided to Other Organizations](#). The worksheet includes donee information, including gift amounts. This section also includes information about a charity's activities outside Canada, political activities, and its fundraising activities.*

▼ **Section D: Financial Information** *This section has a link to the [Schedule 6, Detailed Financial Information](#) . A sample Schedule 6 follows.*

▼ **Schedules** *This section has links to:*

- [Schedule 1 – Foundations](#)
- [Schedule 2 – Activities Outside Canada](#)
- [Schedule 3 – Compensation](#)
- *Schedule 4 – Confidential Data (information not available to the public)*
- [Schedule 5 – Gifts in kind](#)
- [Schedule 6 – Detailed Financial Information](#)
- [Schedule 7 – Political Activities](#)



Key Sections

- Basic Information Sheet
- Section A: Identification
- Section B: Directors / trustees and like officials
 - Directors / Trustees and Like Officials Worksheet
- Section C: Programs and general information
 - Qualified Donees Worksheet
- Section D: Financial Information
 - Schedule 6, Detailed Financial Information



Statement of Financial Position

Schedule 6: Detailed financial information - RALPH E WALDO FOUNDATION

Statement of financial position

▼ Assets	<i>T3010 filing line number</i>	<i>Amount</i>
Cash, bank accounts, and short-term investments	4100	\$ 3,409,213
Amounts receivable from non-arm's length persons	4110	
Amounts receivable from all others	4120	\$ 52,981
Investments in non-arm's length persons	4130	
Long-term investments	4140	\$61,094,945
Inventories	4150	
Land and buildings in Canada	4155	
Other capital assets in Canada	4160	
Capital assets outside Canada	4165	
Accumulated amortization of capital assets	4166	
Other assets	4170	
10 year gifts	4180	
Total assets (add lines 4100 to 4170)	4200	\$ 64,557,139
Amount included in lines 4150, 4155, 4160, 4165 and 4170 not used in charitable activities	4250	



Statement of Financial Position

▼ Liabilities	<i>T3010 filing line number</i>	<i>Amount</i>
Accounts payable and accrued liabilities	4300	\$ 81,320
Deferred revenue	4310	
Amounts owing to non-arm's length persons	4320	
Other liabilities	4330	
Total liabilities (add lines 4300 to 4330)	4350	\$ 81,320



Statement of Operations

▼ Revenue	<i>T3010 filing line number</i>	<i>Amount</i>
Total eligible amount of all gifts for which the charity issued tax receipts	4500	\$942,768
Total eligible amount of tax-receipted tuition fees	5610	
Total amount of 10 year gifts received	4505	
Total amount received from other registered charities	4510	
Total other gifts received for which a tax receipt was not issued by the charity	4530	
Total revenue received from federal government	4540	
Total revenue received from provincial/territorial governments	4550	
Total revenue received from municipal/regional governments	4560	
Total tax-receipted revenue from all sources outside of Canada (government and non-government)	4571	
Total non tax-receipted revenue from all sources outside Canada (government and non-government)	4575	



Statement of Operations

Total interest and investment income received or earned	4580	\$ 4,294,833
Gross proceeds from disposition of assets	4590	
Net proceeds from disposition of assets (show a negative amount with brackets)	4600	
Gross income received from rental of land and/or buildings	4610	
Total non tax-receipted revenues received for memberships, dues and association fees	4620	
Total non tax-receipted revenue from fundraising	4630	
Total revenue from sale of goods and services (except to any level of government in Canada)	4640	
Other revenue not already included in the amounts above	4650	
Specify type(s) of revenue included in the amount reported at 4650	4655	
Total revenue (add lines 4500, 4510 to 4560, 4575, 4580, and 4600 to 4650)	4700	\$ 5,237,602



Statement of Operations

Total interest and investment income received or earned	4580	\$ 4,294,833
Gross proceeds from disposition of assets	4590	
Net proceeds from disposition of assets (show a negative amount with brackets)	4600	
Gross income received from rental of land and/or buildings	4610	
Total non tax-receipted revenues received for memberships, dues and association fees	4620	
Total non tax-receipted revenue from fundraising	4630	
Total revenue from sale of goods and services (except to any level of government in Canada)	4640	
Other revenue not already included in the amounts above	4650	
Specify type(s) of revenue included in the amount reported at 4650	4655	
Total revenue (add lines 4500, 4510 to 4560, 4575, 4580, and 4600 to 4650)	4700	\$ 5,237,602



Statement of Operations

▼ Expenditures	<i>T3010 filing line number</i>	<i>Amount</i>
Advertising and promotion	4800	
Travel and vehicle expenses	4810	\$ 1,318
Interest and bank charges	4820	\$ 153
Licenses, memberships, and dues	4830	\$ 2,625
Office supplies and expenses	4840	\$ 23,940
Occupancy costs	4850	\$ 42,641
Professional and consulting fees	4860	\$ 63,787
Education and training for staff and volunteers	4870	\$ 2,892
Total expenditure on all compensation (enter the amount reported at line 390 in Schedule 3, if applicable)	4880	\$ 403,220
Fair market value of all donated goods used in charitable activities	4890	
Purchased supplies and assets	4891	
Amortization of capitalized assets	4900	
Research grants and scholarships as part of charitable activities	4910	
All other expenditures not included in the amounts above (excluding gifts to qualified donees)	4920	
Specify type(s) of expenditures included in the amount reported at 4920	4930	



Statement of Operations

Total expenditures before gifts to qualified donees (add lines 4800 to 4920)	4950	\$ 540,576
Of the amounts at lines 4950 and 5031 (reported at C5 Political Activities (c))		
a) Total expenditures on charitable activities	5000	
b) Total expenditures on management and administration	5010	\$ 540,576
c) Total expenditures on fundraising	5020	
d) Total expenditures on political activities, inside or outside Canada, from question C5 (b)5030		
e) Total other expenditures included in line 4950	5040	
Total amount of gifts made to all qualified donees	5050	\$ 2,036,304
Total expenditures (add lines 4950 and 5050)	5100	\$ 2,576,880



Other Financial Information

Other financial information

▼ **Permission to accumulate property** *Charities that have written permission to accumulate property complete this section. They must disclose the amount accumulated (including income earned) and the amount disbursed for this purpose.*

▼ **Permission to reduce disbursement quota** *A charity that has prior approval to reduce its disbursement quota will enter the amount for the time period.*

▼ **Property not used in charitable activities** *Charities must disclose the value of the property not used for charitable activities or administration in the 24 months before and after the fiscal period.*

T3010 filing line number

Amount

Enter the value of property not used for charitable activities or administration during:

- | | | |
|---|------|---------------|
| • The 24 months before the beginning of the fiscal period | 5900 | \$ 58,111,199 |
| • The 24 months before the end of the fiscal period | 5910 | \$ 62,999,555 |



Other Financial Reports

- Annual Reports
- Audited Statements
- Community Foundation Financials



Other Indicators of Capacity

- Past Giving
- Key individuals
 - Founder
 - Directors / Trustees
 - Immediate Family
- Corporate Links



Conclusion



Questions?

