



Who Gives and Who Gets: The Beneficiaries of Private Foundation Philanthropy

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Who Give and Who Gets: The Beneficiaries of Private Foundation
Philanthropy

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Introduction

Since the July 2020 Intelligence Report, *Where Wealth Resides*, subscribers and readers have said they would like a deeper dive into Private Foundations. What is the value of these organizations? Who *exactly* benefits from this segment of philanthropy and by how much?

This intelligence report *Who Gives, Who Gets* is an attempt to shed light on those questions, specifically, to which qualified donees are Private Foundations directing the bulk of their granting? And how their granting practices reflect their priorities? Quite simply, there are they putting their money?

In order to determine this, The Charity Report first looked at the Gross Asset Value of all Canadian Private Foundations and determined the Top 20 Private Foundations that make up 75% of the Gross Asset Value* of Private Foundations in Canada, so we choose them for a more detailed look. Using publicly available data, we researched line by line to understand the make-up as to each qualified donee/recipient of Private Foundation dollars. We then segmented the data (eg., Charity vs Foundation, Education versus Health and Inside and Outside Canada), and conducted a high-level demographic breakdown. Details on our methodology and our findings follow.

* Errata: Prior edition erroneously referred to this as “75% of the amount contributed”

Methodology

To begin, we looked at the 2018 Gross Asset Value of each Private Foundation in Canada and determined Top 20 Private Foundations by Gross Asset Value, and that is where we turned our focus.

In order to take this detailed look at the Top 20 Private Foundations and to whom they gave money, we:

1. Utilized Blumberg Segal LLC's publicly available charitydata.ca. Through Charity Data we were able to acquire a list of qualified donees to who each Private Foundation made a contribution to in the five-year period, 2014 – 2018 or 2015 – 2019*, as applicable, including the name of qualified donee, the year the donation was made and the dollar amount. Note: This data was captured in October 2020.
2. Identified whether each donee was a Charitable Organization, Public Foundation or Private Foundation
3. Assigned a CRA Category to assist with data aggregation, which involved researching each donee using charitydata.ca, CRA's Search feature, CanadaHelps as well as Google, where needed.
4. Finally, we grouped each donee according to the more relatable broad categories shown on the next page** and, also, segregated outside of Canada universities and any other Private Foundation money that leaves Canada. Lastly, we investigated and assigned the demographic served by each donee (eg., Populations with Specific Needs, Elders, Racilized Communities)
 - charitydata.com provides the most recent 5 years of donee or 'Program' data (ie., 2014 – 2018 or 2015 to 2019). Since the majority of data was for 2014 – 2018, and for simplicity, we will refer to the years as '2014 – 2018' throughout the remainder of the report.
 - ** A cross reference table showing each CRA category and The Charity Report designated broad category, is shown in Appendix A.

Data Quality and Due Diligence

Information on every grant a Private Foundation makes is available under the “Programs” section of their T3010 submission.

During our research, however, we found that the information about the recipients of these grants submitted to CRA by these Top 20 foundations does not follow a specific format or include the Business Number for the qualified donee. There is no unique identifier. Some recipient names are abbreviated, and some are missing key words. Others use only an acronym, and additionally, many do not include a town or province or even country. Not infrequently, this made the job of pinpointing the exact charity receiving funds (sometimes funds in the millions of dollars) challenging.

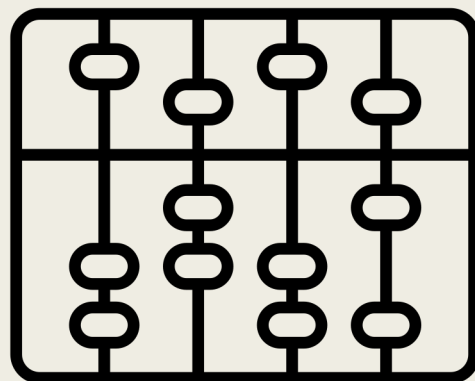
Each one of these donations was investigated manually.

In the case of one Private Foundation, for example, their 2015 return indicated they’d made a single donation of \$80,500,000, making it the largest single donation in the time period we were investigating. It was just before we were set to publish this report, we noticed the typical annual gift the Private Foundation to this particular charity, founded by the Private Foundation itself, was around \$8.5 million. By manually looking at their total expenditures to qualified donees in that year, we discovered it was a \$80,5000 million typo.

We are confident that we’ve identified correct categories for 98% of the organizations who were qualified donees and made educated guesses on the remaining 2%.

Broad Categories Supported by Private Foundations

- Public Foundations
- Private Foundation
- Arts Organizations
- Relieving Poverty
- Health Charities
- Education Charities
- Community Charitie



We followed CRA's category system.

Did you know?

In addition to Charitable Organizations, Private and Public Foundations, the following are CRA recognized categories for approved donees:

1. *Canadian Amateur Athletic Associations (eg., Canadian Junior Golf Association)*
 2. *Recognized Journalism Organizations (new for 2020, none currently registered)*
 3. *Foreign Charities that receive a gift from Her Majesty in right of Canada (eg., Aga Khan Foundation, Switzerland)*
 4. *Low-cost housing corporations for the aged (eg., Petawawa Housing Corporation, Ontario)*
 5. *Municipal or public bodies performing a function of government in Canada (eg., Ahousaht, British Columbia)*
 6. *Municipalities (eg., City of Toronto)*
 7. *Universities outside Canada*
 8. *Her Majesty in right of Canada, a province, or a territory*
 9. *The United Nations and its agencies*
- Organizations under 1 to 7 must be included on the CRA registered list of charities to be considered a qualified donee. Organizations under 8 and 9 do not have to be on a list maintained by CRA to be recognized as a qualified donee.

Source: <https://www.canada.ca/en/revenue-agency/services/charities-giving/list-charities/list-charities-other-qualified-donees.html>

High Level Metrics

- The Top 20 Private Foundations cumulatively donated approximately \$1.63 billion between 2014/2015 and 2018/2019, as applicable.
- The Top 3 donations recipients in the 5-year timeframe we studied were Technion – Israel Institute of Technology, who received \$88.7 million; The University of Toronto, which received \$58.6 million; and the Heseg Foundation, which received \$45.3 million, and whose mission is to support “lone soldiers” who fight for the Israeli Defense Force (IDF). A lone soldier is defined as someone who comes from another country to join the IDL. The CRA categories them as an Education charity.
- The average donation made by the Top 20 is \$701,771.
- The median donation made by the Top 20 is \$200,000.
- Each of the Top 20 private foundations give to an average of 23 donees per year.
- 95% of donations go to the following types of organizations:
 - *Charitable Organizations (48%)*
 - *Public Foundations (19.5 %)*
 - *Universities in the US (10.8 %)*
 - *Universities outside North America and the UK (9%)*
 - *Organizations Outside of Canada (7.5 %)*

Top 20 Private Foundations and Assets

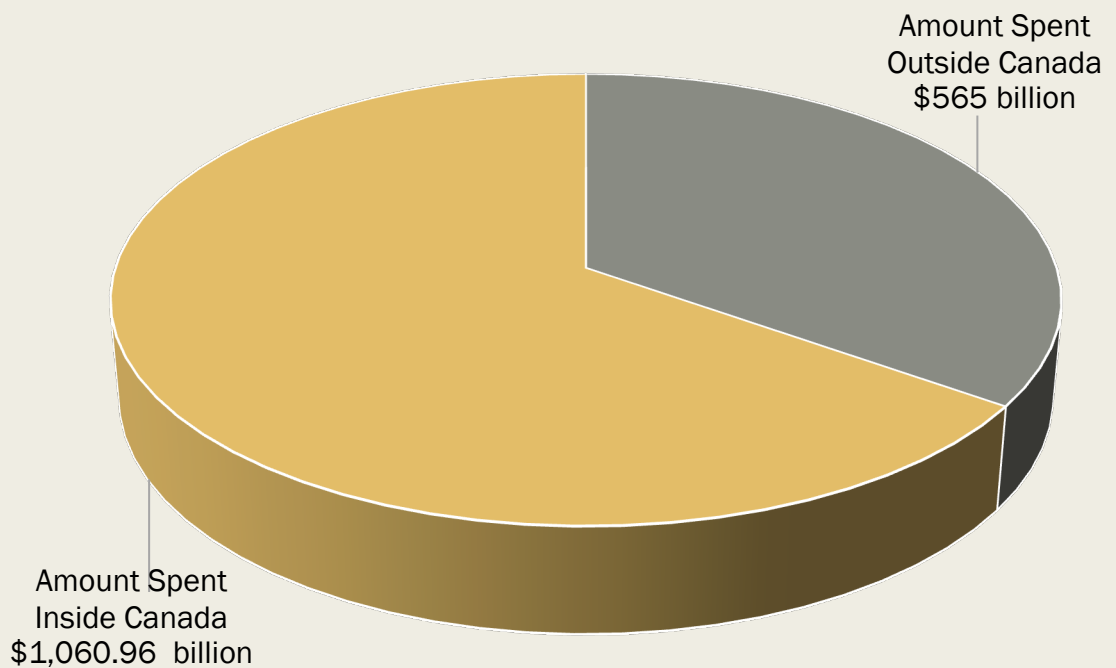
	Private Foundation	2018 Gross Asset Value (\$Million)
1	Mastercard Foundation	\$ 23,739.8
2	Fondation Lucie et Andre Chagnon	\$ 1,955.8
3	Li Ka Shing (Canada) Foundation	\$ 867.3
4	The J W McConnell Family Foundation/La Fondation de Famille J W McConnell	\$ 628.9
5	Fondation Marcelle et Jean Coutu*	\$ 588.2
6	The Rossy Foundation/La Fondation Rossy	\$ 537.5
7	The Schulich Foundation	\$ 367.4
8	Audain Foundation*	\$ 310.2
9	The W. Garfield Weston Foundation	\$ 296.1
10	Fondation Mirella & Lino Saputo	\$ 276.9
11	The Molson Foundation/Fondation Molson*	\$ 266.7
12	Pathy Family Foundation/Fondation de la Famille Pathy	\$ 252.2
13	Morris and Rosalind Goodman Family Foundation/Fondation de la Famille Morris et Rosalind Goodman*	\$ 242.6
14	The Lazaridis Family Foundation	\$ 234.6
15	The Dr. Wolf Lebovic Charitable Foundation	\$ 226.0
16	Foundation J.A. Deseve*	\$ 220.3
17	The Gerald Schwartz and Heather Reisman Foundation*	\$ 209.0
18	The FDC Foundation	\$ 204.1
19	Brookfield Partners Foundation	\$ 194.0
20	The Asper Foundation	\$ 188.9
		\$ 31,806

*Donee/Program information used was 2015 – 2019, remainder used 2014 – 2018.

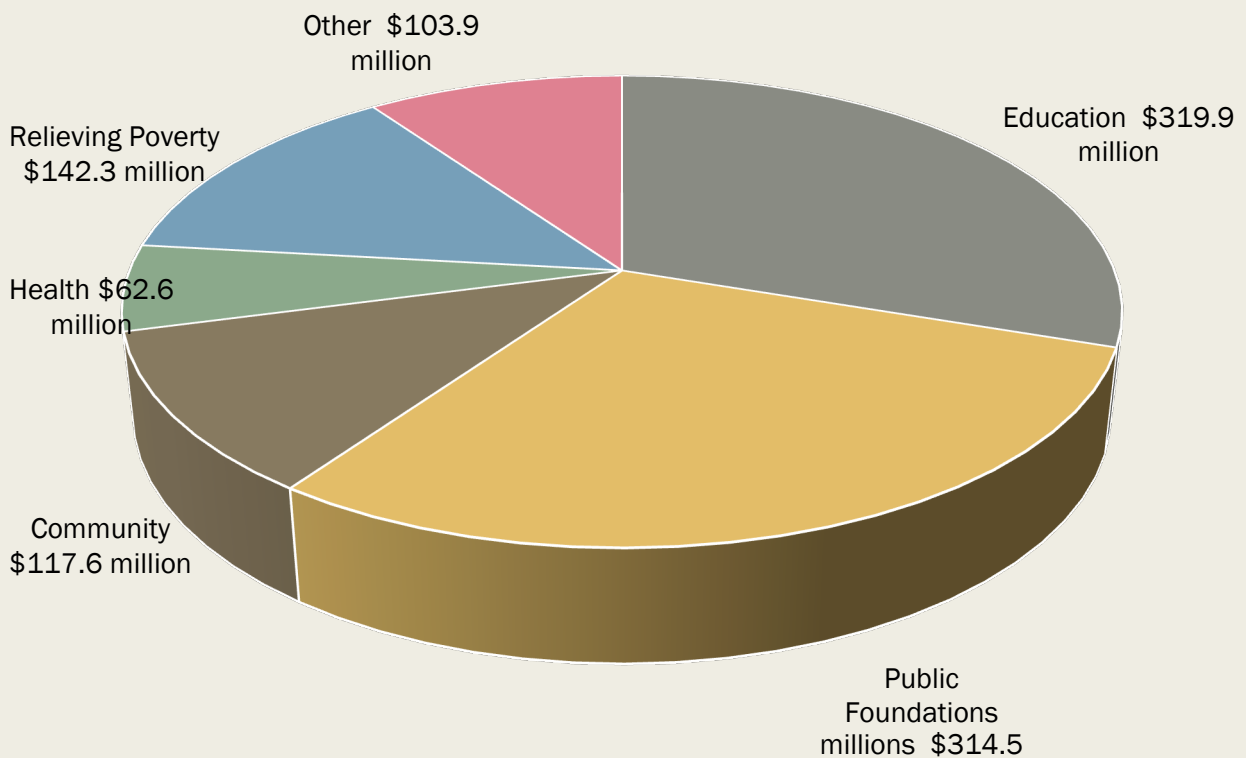
Top 20 Foundations: Amount of Funds Granted, 2014 - 2018



Amount spent Inside vs Outside Canada, 2014 – 2018 (\$ 1,626 Million)



Detail of Amount Spent Inside Canada 2014 – 2018 (\$1,061 Million)



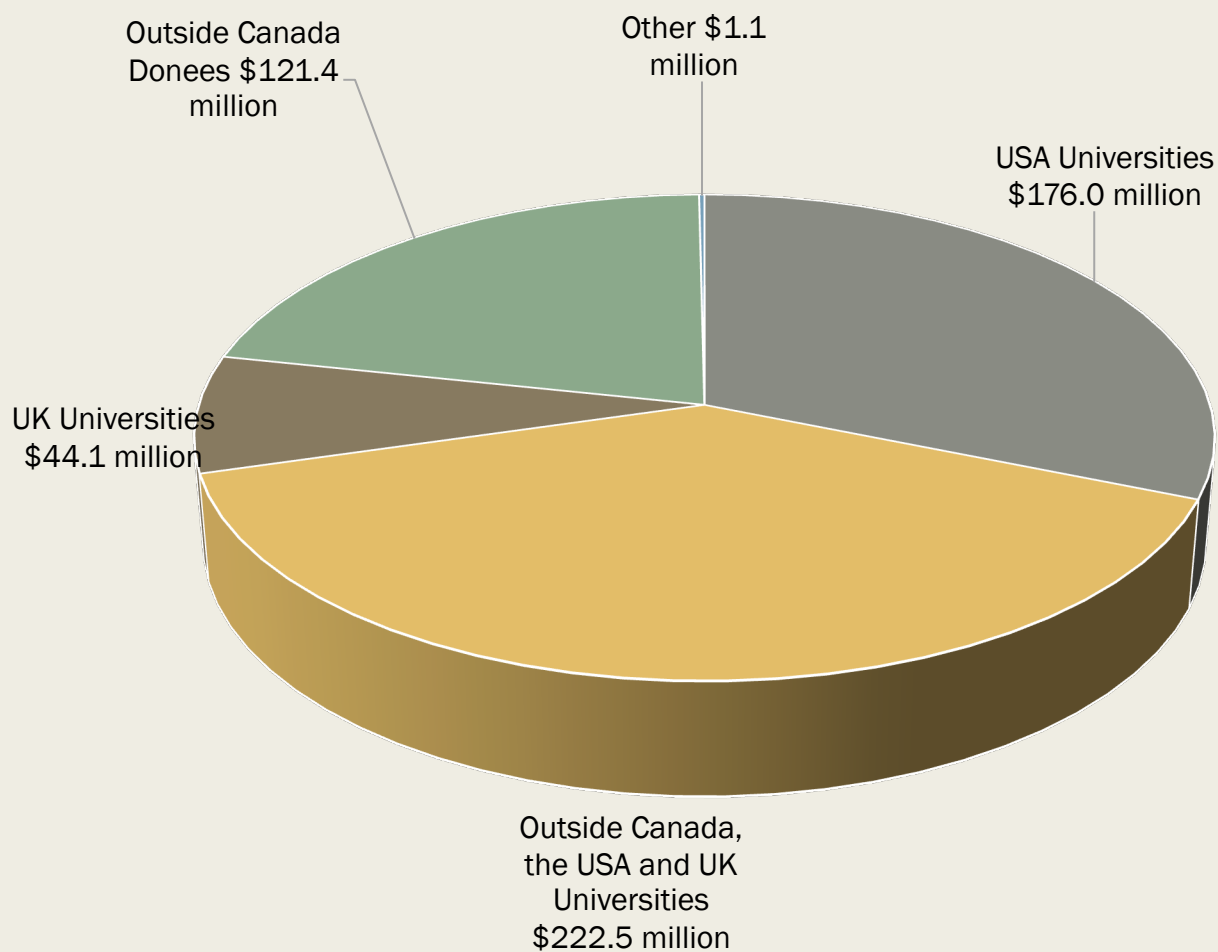
Education includes grants to large Canadian post secondary schools across the Country (eg., University of Toronto, McGill, University of British Columbia).

Public Foundations includes grants to hospitals officially set up with CRA as Public Foundations (rather than Charitable Organizations) as well as museums, arts and environmental organizations. United Way groups across the country are also included here.

Relieving Poverty includes international NGOs and organizations serving domestic needs related to poverty.

Community giving includes contributions to museums, art galleries as well as environmental causes.

Detail of amount spent Outside Canada, 2014 – 2018 (\$565 Million)



Post-secondary Education is the biggest priority of the Top 20 Private Foundations



Between 2014 and 2018, the Top 20 foundations spent \$762 million, 47% of their “Education” grants primarily on post-secondary institutions in Canada and around the world

Top 10 Qualified Donees Overall

Top 10 Donees Overall	Amount Granted
Technion - Israel Institute of Technology	\$ 88,654,707
The University of Toronto (The Governing Council of the)	\$ 58,564,282
Heseg Foundation	\$ 45,300,000
United Nations Capital Development Fund	\$ 44,769,972
McGill University	\$ 41,710,883
Audain Art Museum	\$ 39,878,061
American University of Beirut	\$ 36,273,765
Arizona State University	\$ 35,893,827
Save the Children Canada	\$ 34,117,025
University of British Columbia	\$ 31,031,394
Total	\$ 456,193,916

The Top 10 donees received 28% of the \$1.63 billion granted by the Top 20 Foundations between 2014 and 2018.

Of these funds, 45% (\$206 Million) is granted to organizations outside of Canada

Top 10 Domestic Grantees Categorized as Education

Grants to Education Organization	Amount of Grant
The University of Toronto (The Governing Council of the)	\$ 58,564,282
McGill University	\$ 41,710,883
University of British Columbia	\$ 31,031,394
Wilfrid Laurier University	\$ 20,500,040
Ryerson University	\$ 16,525,000
Université de Montréal	\$ 14,830,000
George Brown College Foundation	\$ 8,005,000
University of Alberta (The Governors of the)	\$ 7,792,611
Digital Opportunity Trust	\$ 7,611,251
University of Waterloo	\$ 7,439,000
Total	\$ 214,009,461

The Top 10 charities in the 'Education' category received 13% of the funds granted by the Top 20 foundations.

Top 10 Canadian Grantees in the Community Benefit Category

Top Grant Recipients - Community Benefit	Amount of Grant
Audain Art Museum	\$ 39,878,061
Terre Sans Frontières	\$ 20,659,385
Habitat for Humanity Canada	\$ 5,194,030
Association of Canadian Universities for Northern Studies	\$ 4,873,811
Art Gallery of Ontario	\$ 4,036,931
Evergreen	\$ 3,906,338
MaRS Discovery District	\$ 3,867,033
Fraser Institute	\$ 3,761,500
Nature Conservancy of Canada	\$ 2,503,538
Canadian Canoe Museum	\$ 2,000,000
Total Top 10 - Community Benefit	\$ 90,680,627

The Top 10 organizations categorized for “Community Benefit” received 5.6% of the funds granted by the Top 20 foundations.

Top 10 Canadian Grantees in the Relieving Poverty Category

Top 10 Grant Recipients - Relieving Poverty	Amount Granted
Save the Children Canada	\$ 34,117,025
Opportunity International Canada	\$ 24,708,475
Jewish National Fund	\$ 23,067,520
Care Canada	\$ 11,687,743
Foundation for International Community Assistance - FINCA Canada	\$ 11,907,383
Moisson Montréal Inc	\$ 3,855,000
Association d'entraide le Chaînon Inc.	\$ 2,838,412
Fondation Mira	\$ 2,701,560
MAB - Mackay Rehabilitation Centre	\$ 1,756,000
Children International Canada	\$ 1,582,115
	\$ 118,221,233

The Top 10 organizations in the “relieving poverty” category received 7.3% of the funds granted by the Top 20 foundations.

Top 10 Canadian Public Foundation Grantees

Public Foundations	Amount
The Canadian Society for the Weizmann Institute of Science	\$ 17,034,671
Jewish Community Foundation of Montreal	\$ 16,100,000
Centraide - Various	\$ 14,888,500
St. Michael's Hospital Foundation	\$ 14,632,371
Audain Art Museum Foundation	\$ 10,287,990
CHU Ste-Justine Foundation (Pediatric Formulations Centre)	\$ 9,959,874
United Jewish Appeal Federation of Greater Toronto	\$ 9,049,524
Cedars Cancer Foundation	\$ 9,046,825
Montreal General Hospital Foundation	\$ 9,040,000
Princess Margaret Cancer Foundation	\$ 8,115,000
Total Public Foundations	\$ 118,154,755

The Top 10 public foundations received 7.3% of the funds granted by the Top 20 foundations.

Top 10 Universities Outside the Country

Top 10 University Outside Canada Grantees	Amount Granted
Technion - Israel Institute of Technology	\$ 88,654,707
Heseg Foundation	\$ 45,300,000
American University of Beirut	\$ 36,273,765
Arizona State University	\$ 35,893,827
African Institute for Mathematical Sciences	\$ 28,725,883
University of Edinburgh	\$ 27,666,739
Michigan State Univeristy	\$ 27,084,731
Leland Stanford Junior University	\$ 25,891,610
University of California, Berkeley	\$ 25,145,706
University of Oxford	\$ 15,638,204
Total	\$ 365,275,172

The Top 10 universities outside Canada received 22% of the funds granted by the Top 20 foundations.

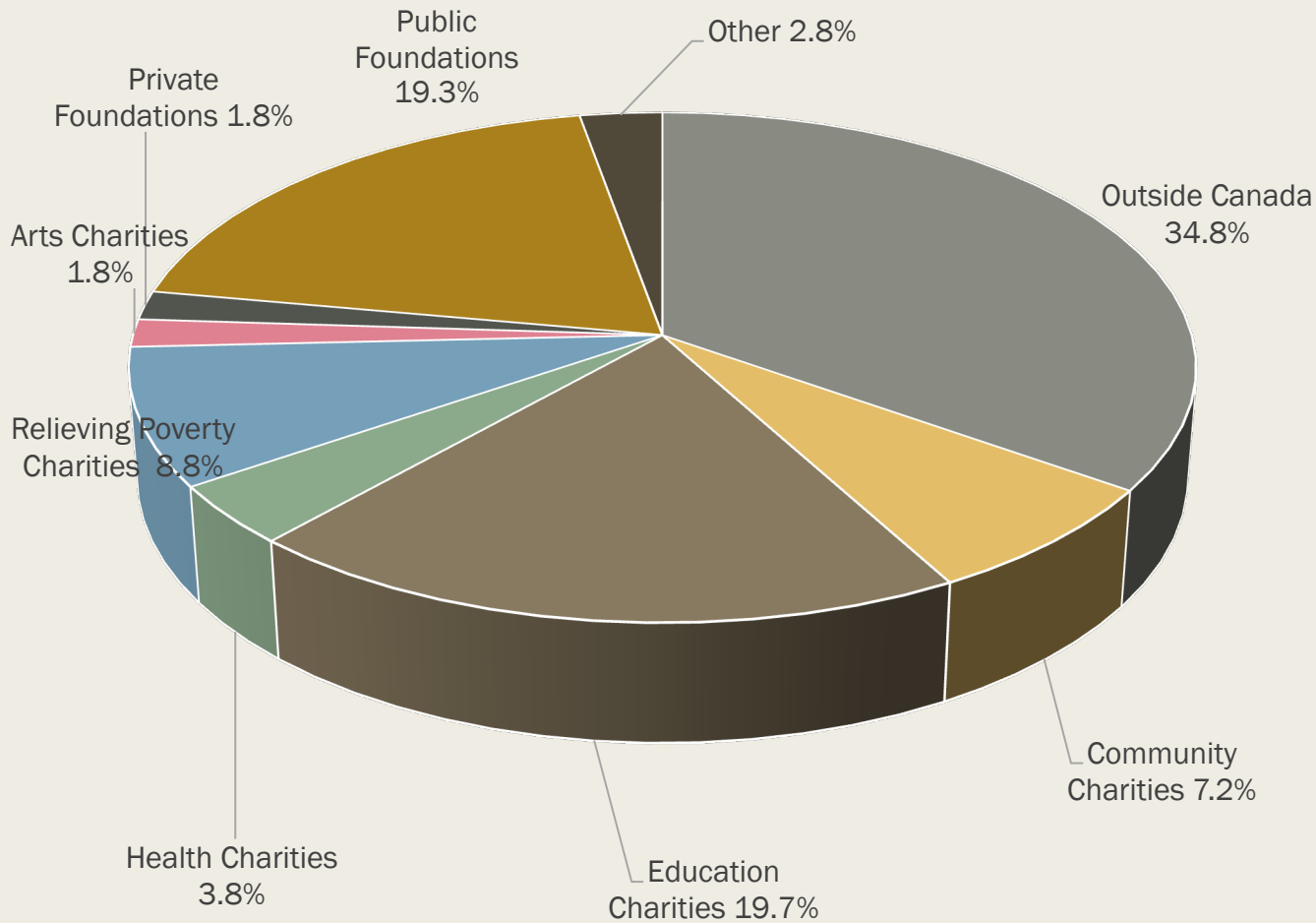
The Top 10 Donees with Activities Outside Canada

Top 10 Organizations with Activities Outside Canada	Amount Granted
United Nations Capital Development Fund	\$ 44,769,972
International Finance Corporation	\$ 29,827,556
International Bank for Reconstruction and Development	\$ 17,858,434
Consultative Group to Assist the Poor	\$ 10,897,201
International Labour Organization	\$ 8,545,441
New Museum of Contemporary Art	\$ 7,348,334
Museum of Modern Art	\$ 874,306
United Nations Educational, Scientific and Cultural Organizations	\$ 636,732
The World Bank	\$ 333,945
United Nations Development Programme	\$ 282,800
Total	\$ 121,374,721

The 10 organizations with activities outside Canada received 7.5% of the funds granted by the Top 20 foundations.

Summary – Where it Goes

(\$1.626 Billion)



DEMOGRAPHICS

Reason for Concern

At the same time, a lot was being written about the gap between how grants are made to white-led organizations as opposed to Black or Indigenous led groups. According to a [Stanford Social Innovation Review](#) article in May 2020, “Racial bias—both personal and institutional, conscious and unconscious—creeps into all parts of the philanthropic and grantmaking process. The result is that nonprofit organizations led by people of color receive less money than those led by whites, and philanthropy ends up reinforcing the very social ills it says it is trying to overcome.”

The [National Committee for Responsive Philanthropy](#) (NCRP) in the US did a study this summer that “started by looking at the latest available grantmaking data (2016-2018) of 25 community foundations (CFs) – from Los Angeles to New Orleans to New York City to St. Paul. These foundations represent a cross section of some of the country’s largest community foundations as well as foundations in communities where NCRP has Black-led nonprofit allies.”

All together they found, “only 1% of grantmaking from the 25 foundations that we looked at was specifically designated to benefit Black communities, even though a combined 15% of these 25 cities’ populations are Black. Put another way, these 25 foundations together distributed \$78 in funding per person in their communities, but only \$6 per Black person in their communities.”

We wanted to provide some similar baseline data for Canada.

We also know the vast majority of the leadership of private foundations is white (Where Wealth Resides) and, in fact, that 13 of the 20 largest foundations in Canada are run by their families of the original investor. Realistically, the idea of these foundations becoming diversified is limited at best.

Demographic Breakdown

Along with looking at the actual organizations receiving grants from private foundations, we categorized those organizations according to the demographic they primarily serve. We have adopted the demographic breakdown used by the Community Foundations of Canada. Our findings of .1% of grants being made to organizations representing racialized communities agreed with the findings of another recent Canadian study called [Unfunded: Black communities overlooked by Canadian philanthropy](#).

Demographic	Amount Granted	Percentage
Children and Youth	\$ 119,463,576	7.3%
Developing Countries	\$ 50,096,090	3.1%
Indigenous	\$ 2,542,424	0.2%
Newcomers	\$ 1,150,035	0.1%
Pop with Specific Needs	\$ 1,067,706,734	65.7%
Racialized Communities	\$ 1,095,750	0.1%
Seniors and Elders	\$ 1,541,100	0.1%
Women and Girls	\$ 19,407,615	1.2%
Other/Various	\$ 358,464,576	22.0%
Unknown	\$ 4,536,640	0.3%
Total	\$ 1,626,004,000	100.0%

Intentions

In March 2020 after the COVID pandemic hit hard, four philanthropic organizations representing tens of billions of dollars proactively issued a statement. The organizations included:

- [Philanthropic Foundations Canada](#)
- [Environment Funders Canada](#)
- [Community Foundations of Canada](#)
- [The Circle on Philanthropy and Aboriginal Peoples in Canada](#)

The statement had five guiding statements for supporting grantees:

- 1) Be flexible, pragmatic and proactive in grant-making
- 2) Collaborate on or contribute to emergency funds at the community and national levels as they emerge
- 3) Stretch and deploy expertise and funds to protect the capacity and resilience of nonprofit and charitable organizations
- 4) Support Advocacy
- 5) Take the long view and stay engaged

Summary: Private Foundations Priorities

If grantmaking practice is any indication of priorities, priorities of the Top 20 Canadian Foundations indicate that, by far, their funds are focused on non-community-based activities. For example:

- The Top 20 Private Charities gave 34.7% of their total grants between 2014 and 2018 to institutions outside Canada (mostly well-known post-secondary institutions)
- 19.7% of their grants went to Education Charities, 90% of which were well-known Canadian universities
- 19.3% of their grants went to Health Charities, 32% (\$100.4 million out of \$314.5 million) was to hospital foundations
- 7.2% of their grants went to charities benefiting communities (It is worth noting both the Fraser Institute and the MaRS Discovery District are both designated as Community Benefit charities and are among the Top 10 grantees in this category)
- 6.8% of their grants went to charities focused on Relieving Poverty (The Top 10 groups in this category were national organizations – see page 20)

Questions to Consider

- Does a new cohort of philanthropist have to be recruited to face the modern-day challenges confronting society (eg., inequity and racism)?
- Are we okay continuing to offer the most generous charitable tax receipting in the world to private foundations who spending a third of their grants supporting post-secondary institutions, most of which are are supremely well-funded?
- What is an appropriate amount of funding by Private Foundations to Outside Canada donees?
- Do individual Private Foundation grants align with their stated programs and operations, as filed with CRA?
- How much influence should Private Foundations carry when it comes to solving inequity issues in Canada?
- Will any increase in the disbursement quota actually benefit equity seeking and community groups or will it mean even more money goes to “ivy-league’ organizations?
- What measures can be taken to improve transparency of philanthropy in Canada?

Questions or Feedback?

Please contact:

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APPENDICES

Appendix A: CRA Categories

CRA Category Number	CRA Description	Charity Report Classification
1	Organizations Relieving Poverty	Relieving Poverty
10	Teaching Institutions	Education
11	Support of schools and education	Education
12	Education in the Arts	Education
13	Educational organizations not elsewhere categorized	Education
14	Research	Education
15	Foundations Advancing Education	Education
30	Christianity	Religion
40	Islam	Religion
50	Judaism	Religion
60	Other Religions	Religion
70	Support of Religion	Religion
90	Foundations Advancing Religions	Religion
100	Core Health Care	Health
110	Supportive Health Care	Health
120	Protective Health Care	Health
140	Complementary or Alternative Health Care	Health
150	Relief of the Aged	Health
155	Upholding Human Rights	Community
160	Community Resource	Community
170	Environment	Environment
175	Agriculture	Community
180	Animal Welfare	Environment
190	Arts	Arts
200	Public Amenities	Community
210	Foundations	Community
215	National Arts Service Organization (NASO)	Arts