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LETTER FROM THE PRESIDENT

The month of June is specially marked every year by our annual meeting of members. This year we held the meeting in Toronto and we were delighted to see almost half the membership represented in an excellent turnout.

We welcomed three new board members Sue Killam, Bruce Lawson and David Peever, said our thanks to two retiring board members of long standing, David Elton and Paul J. Dyer, and saw a changing of the guard from Peter Warrian to Shira Herzog as Chair of the PFC Board. The text of the comments made by Peter and myself as well as the minutes of the meeting and our 2008 Annual Report will be mailed to members shortly.

Our lunch speaker was Marcel Lauzière, new CEO of Imagine Canada. Marcel gave us a “state of the sector” overview based on his soundings of charitable sector organizations across the country over the last six months. This is of particular interest to private funders as they watch the effects of the economic downturn on charities. Marcel reported that while there is no sense of the fear close to panic being experienced in regions of the United States, there is real worry among Canadian charities as they begin to think about sources of revenue and budgets for 2010. In spite of the still fragile recovery in investment income, those charities dependent on earned income (the majority) are seeing drops which will be difficult to replace. He noted the need for much more current data about what charities are facing, and how they assess their prospects, and said that Imagine is planning to survey its membership and to report on trends and implications in fall 2009.

Similarly, PFC is planning to re-survey members beginning in late June, with a revised set of questions about investment performance and strategies and about grantmaking and other forms of assistance to the community. A report on this survey will be available to members in September in time for third and fourth quarter board meetings.

The annual meeting was followed by an excellent workshop with Jan Jaffe of **Grantcraft** who explored the many roles that funders and grantmakers play in their work, from convenor to connector to rescuer, as well as less familiar ones such as bridge builder, voice amplifier, talent scout, disturbance generator and critical friend. Some highlights of that workshop will be available to members shortly, along with access to Grantcraft’s excellent guides to personal strategy and Roles@Work (PFC members receive a 20% discount).



Thanks to all members who were able to turn out and I look forward to seeing you and all who could not be present at the AGM at our Calgary conference on October 28-30.

A handwritten signature in blue ink that reads 'Hilary Pearson'.

Hilary Pearson
hpearson@pfc.ca

P.S. Paul Waldie, the journalist who was invited as our AGM speaker had to postpone his talk on Giving Back to the fall and is now scheduled for a lunch with members on September 23 in Toronto. Details will be forthcoming.

GRANTMAKERS ROUNDUP

Five Good Ideas re Responding to Hard Times (thanks to Maytree Foundation for title)

What strategies can grantmakers consider to continue to be effective under straitened circumstances? Here are some ideas offered by the field:

- Convert this year's payment of a multi-year pledge to endowment into a gift to operating funds, to meet immediate needs.
- Have a debate with your board about the tradeoffs between increasing funding to meet grantees' immediate needs and decreasing funding to protect endowment
- Switch from requests for proposals (RFP) to requests for information (RFI) from your grantees. Try to find out more about what is going on and what are the urgent needs in the community.
- Research what if anything is available from various levels of government as emergency or stimulus support and then call a meeting to share that information with grantees or key charities in your region.
- Speed up your granting temporarily by setting aside a special "emergency" fund and making fairly rapid block grants (no conditions) to known grantees in specific geographies or fields; use RFPs to clarify the needs.

For more ideas, Grantmakers for Effective Organizations (GEO) has released a short but discussion-provoking briefing for grantmakers under the title *Smarter Grantmaking in Challenging Economic Times*. Check it out for the excellent set of questions to consider!

On Responding to the Downturn: What are Foundations Doing?

Are foundations making changes across the board to their grantmaking strategies? They may be reducing amounts but targeting greatest need.



The U.S. Council on Foundations surveyed 430 foundations in March 2009 to find out what is happening to their grantmaking after the close to 30% drop in assets experienced since the end of 2007. Its report, *Foundations Respond to the Needs of Families Even as Their Assets Have Declined*, found that a majority of foundations (62 percent) said they will reduce their grantmaking in 2009. However, 92 percent of foundations said that they are or will make grants this year to assist low-income individuals, families, and others adversely affected by the recession, with 31 percent saying they are increasing their support for basic needs (food, shelter, utility payments etc) and 6 percent saying they have added it as a new funding area.

With fewer resources to dispose of, many donors are rethinking their giving. Peter Frumkin, a professor and author of *Strategic Giving*, was quoted in the *New York Times* recently as follows: "Donors tend to operate from either of two "master theories of giving": either provide direct service to individuals or create change through advocacy and public education. In tough times, people tend to gravitate toward direct services because they want something concrete from their giving." Direct service, he adds, "is like buying bonds, and advocacy like growth stocks, and so in tough times donors rebalance their giving portfolios into safer investments."

On the Perpetuity Debate

What serves society and philanthropists best - setting up perpetual foundations, or those that spend all their money in a set period of time? It may be unwise to pit the ideas of long and short life spans against each other so starkly, according to a new study from the Urban Institute called *Limited Life Foundations: Motivations, Experiences and Strategies* by Francie Ostrower.

This study draws on survey data on over 800 private foundations with varied longevity plans, and in-depth interviews with 31 foundations that have considered or plan termination. You can also listen to an [audio recording](#) of a discussion with Ostrower titled the *Life Spans of Charitable Foundations: Arguments for and Against an Assumption of Perpetuity*.

On Measuring Wellbeing

The Institute of Wellbeing was officially launched on June 10. The Institute is independent and non-partisan and is affiliated with the University of Waterloo. The Institute also launched its signature product, the Canadian Index of Wellbeing (CIW), which will report on trends and changes in eight interconnected areas that are vital to Canadians' quality of life. "The CIW is a new way of measuring wellbeing that goes beyond narrow economic measures like GDP. It will provide unique insights into the quality of life of Canadians - overall, and in specific areas that matter: our standard of living, our health, the quality of our environment, our education and skill levels, the way we use our time, the vitality of our communities, our participation in the democratic process, and the state of our arts, culture and recreation. In short, the CIW is the only national index that measures wellbeing in Canada across a wide spectrum of domains."



The CIW currently provides three detailed research reports on different, but interconnected, categories of wellbeing: Living Standards, Healthy Populations, and Community Vitality. A summary report from the CIW connects the dots in the first three research reports and includes highlights and summaries of these reports.

Going forward, the CIW will provide a special report connecting the main CIW findings to other current reports and research; detailed research reports on findings on the remaining categories of wellbeing: Education, Civic Engagement, Arts, Culture & Recreation, Time Use and Environment. These reports will be released as they are completed; and periodic reports on the wellbeing of specific population sub-groups, e.g. women, children.

The institute is supported by a funders' alliance that includes PFC members **The Atkinson Charitable Foundation** (first sponsor), **The Lawson Foundation**, and **The J.W. McConnell Family Foundation** among others.

On Philanthropy Research

If you are looking for quicker access to the knowledge bases of U.S. foundations in various fields, you may want to check a new search tool designed by a young researcher in U.S. philanthropy, Tony Wang, called **Philanthropy Search**.

In Wang's words explaining why he designed this tool, "I'm hoping that philanthropy recognizes the importance of its knowledge assets in addition to its other assets as an institution and as a grantmaker. And I think one way foundations can use their knowledge assets better is by creating a more efficient marketplace of information that provides the right incentives for people to provide highly useful information. And I think that search can be part of the answer ... Right now it has a couple of blogs, consulting firms, academic centers, and the top 100 foundations by asset size as part of its index (Google spreadsheet available) and I would be interested to know what other sites you think should be included in the index and other features the tool should have."

INTERESTING READING

On Giving in Canada

Statistics Canada has released information from the **2007 Canada Survey of Giving, Volunteering and Participating** (CSGVP). This is the most comprehensive basic data available for funders who are interested in knowing patterns of giving and volunteering across Canada.

In 2007, 84% of the population aged 15 and over made a donation to a charity or non-profit and 46% of the population volunteered their time. These rates are largely unchanged from 2004 (last time the CSGVP was conducted). Canadians donated a total of \$10 billion in 2007 and volunteered 2.1 billion hours.



e-newsletter

The average donation increased to \$437 from \$400 in 2004 while the average number of volunteer hours remained about the same at 166 hours. The bulk of support continues to come from a narrow segment of the population: 21% of Canadians account for 82% of the total value of donations, and 12% of Canadians account for 78% of all volunteer hours.

Giving varies by province and territory with Newfoundland and Labrador having the highest donor rate (91%), followed by Prince Edward Island (89%) and New Brunswick (88%). The largest increase in donor rates from 2004 to 2007 was in Alberta (79% to 85%). In regards to average donation size, Albertans made the largest average annual donation followed by donors from the Northwest Territories, the Yukon and Manitoba.

The Canada Survey of Giving, Volunteering and Participating is conducted by Statistics Canada every three years. The **full report** (71-542-X) is available free.

PFC FAMILY NEWS AND EVENTS



REGISTRATION IS NOW OPEN for the PFC 2009 conference, **The Pulse of Philanthropy**, October 28-30, 2009, Calgary. Visit the **conference web site** for details on the conference program, designed specially for foundation grantmakers. New features at our conference this year: site visits, 10th anniversary reception & dinner with live entertainment and some special Olympic guests!

NOW AVAILABLE! The 2008 PFC Annual Report, *Building Solid Foundations*.

The George Cedric Metcalf Charitable Foundation has released a paper by Metcalf Innovation Fellow, Patricia Thompson, called *Being the Change We Want: A Conversation about Vocational Renewal for Nonprofit Leaders*. For the last several years, the Metcalf Foundation has been exploring how best to support nonprofit leaders in their work. Their work in this area has led them to ask: "How do non-profit leaders renew themselves in their profession, and how do their organizations and causes benefit when they do? Are there different ways we can come at nonprofit leader renewal that are responsive to the realities in which people work?" Over the next several months the Foundation will be exploring ways to deepen and extend the conversation about this work and welcomes thoughts and feedback from colleagues.



Slow Death by Rubber Duck by Rick Smith, Bruce Lourie and Sarah Dopp has been published by Knopf Canada. Bruce is President of the **Ivey Foundation**, a PFC Member. Rick Smith is a prominent Canadian author and environmentalist and Executive Director of Environmental Defence Canada. Sarah Dopp is a community organizer with over fifteen years experience with social justice and environmental organizations. Ultimately hopeful, *Slow Death By Rubber Duck* empowers readers with ideas for protecting themselves and their families and changing things for the better. If you are concerned about the level of toxins in your body and want to understand the hidden threats already in your home, you should read this book. Visit the **Rubber Duck web site** for further details or to order.

The Max Bell Foundation is accepting applications for the next session of the Max Bell Public Policy Training Institute. The Institute is a training program for individuals working in Alberta-based registered charities with a demonstrated interest and engagement in public policy. The deadline for applications is June 30, 5:00 PM Mountain Time.

Thanks to the Canadian North program of **The Walter & Duncan Gordon Foundation** we now have a new word in Inuktitut for 'foundation': kiinaujaqattittijiit which in etymologic terms means: kiinaujaq = money; qaq = has/have; tittijiit = the provider of.

Charity Village's **Leadership in Focus** series, features Alan Broadbent, chairman of PFC member the **Maytree Foundation**, Alan Broadbent is also the author of *Urban Nation: Why we Need to Give Power Back to the Cities to Make Canada Strong*. The article probes Alan's views on poverty reduction, promoting equality and leadership in the nonprofit sector.

Social Capital Partners (SCP) has redesigned their site and added a **SCP Blog**. SCP is a national, non-profit, social finance organization, founded in 2001 by Bill Young, President of the **Bealight Foundation**, a PFC member. SCP arranges for growth financing and provides advisory services to successful businesses that integrate a social mission into their HR model and expand career opportunities for disadvantaged populations.

OTHER NEWS, EVENTS AND RESOURCES

For coverage of the recent Council on Foundations conference in Atlanta from May 4-6, click on the following blogs:

- **Council on Foundations**
- **Tactical Philanthropy**

The Canadian legal and philanthropic publication **The Philanthropist** is now both online and free. Register online to browse articles on different issues affecting charities and non-profits in Canada.

COMMENTS AND FEEDBACK

To subscribe or unsubscribe to this newsletter, or to send comments, send an email to **Liza Goulet**, Director, Research and Member Services.