

Toronto Foundation vs. Private Foundations

	Toronto Foundation Donor Advised Fund	Private Foundation
Start up time	As little as two weeks	Establishment and charity registration can take 6 to 12 months
Minimum contribution	\$25,000 over 2 years	\$5 million recommended minimum
Start up costs	None	Legal costs starting from \$7K
Ongoing costs	Annual fees of 1-2% depending on Fund type chosen	Legal, tax, insurance, record keeping, staff; costs vary depending on complexity
CRA Reporting	Toronto Foundation handles reporting	Accountant, lawyer or staff person handles reporting
Administrative responsibilities	Recommend grants to qualified donees	Select charities; administer grants; manage assets; keep records; file annual return (T3010) to CRA; annual corporate filing; submit financial statement and manage surplus/ deficit etc.
Governance	Arm's length board of directors and committees comprised of local community leaders with diverse and complementary skill sets	Board comprised of Trustees/ Directors initially chosen by the donor who establishes the foundation. More than half of board may be persons in a non-arm's length relationship with donor
Tax status	Toronto Foundation is a registered charity that issues charitable tax receipts for direct or third-party contributions	Registered charity - Private Foundation Charitable tax receipts are issued for direct or third-party contributions

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Grantmaking process	Donor can recommend grants to qualified donees to be approved by Toronto Foundation board of directors	Donor can recommend grants to qualified donees to be approved by self-appointed board of directors
Grantmaking support	<ul style="list-style-type: none"> • Customized research based on the donor's philanthropic interests • Toronto's Vital Signs Report – annual snapshot of quality of life in Toronto • Community Knowledge Centre – showcase of 260 organizations working on solutions to the issues highlighted by the Toronto's Vital Signs Report 	Foundation board and/or staff arrange and support grantmaking and monitoring structure
Investment Management	Toronto Foundation's Board of Directors, with guidance from the Investment Committee, manages the investment portfolio	Trustees/directors set the Investment Policy, and either manage the funds directly, or hire professional investment managers and monitor their performance
Next Generation Involvement	Donors can involve their family in grantmaking now or set them up to inherit the Fund when the time comes. We will work with them to develop a strategy that works best for the donor and their loved ones.	Donor can name Foundation for family or other loved one and involve family in process