



Information Circular on 2010 Administrative Expenses

The foundation charges each endowment fund two fees. We charge a 1% administration fee, which covers a portion of the operating costs of the foundation. On larger funds, this fee is reduced. We also charge an investment manager fee. In 2010 that fee was 0.67%. The investment manager fee decreases as the total value of our endowment fund grows.

Both of these fees are drawn from the interest and dividend income and are charged on a prorated basis based on the value of each fund. It is the Foundation's policy that 100% of the capital donated to the endowment fund is held in perpetuity. None of the capital is used to cover administration costs.

In the 2010 audited financial statements, the total expenses incurred to operate the foundation were \$1,074,581. This figure includes \$518,003 in grants. It also includes special event fundraising expenditures (which in previous years were recorded as net revenue) as well as some special projects that we are administering. When these costs are removed, our operating costs for 2010 were \$359,365, which include \$75,774 in investment management fees. Our costs represent 3.2% of the value of our endowment fund, well within the norm for community foundations.

The administration fees on the endowment only cover a portion of our operating costs, which are also covered by direct operating donations and special event net revenue.

The following is a summary of some of the transactions completed by the foundation administration in 2010:

- Processing 720 donations requiring charitable receipts and 67 non-charitable receipts
- Administering 97 discretionary grants (requiring application and full assessment)
- Allocating 128 donor directed grants
- Preparing 50 fund statements
- Creating 16 new endowment funds
- Processing 3 significant estate gifts
- Managing 3 special events (Cuvée, Au Marche, Business Leaders Breakfast) with 1,313 guests
- Processing 80 deposits and 745 cheques

In 2010 foundation core staff included a full time Executive Director, Manager of Community Initiatives (28 hr per week) who handles all grants and special events, Administrative Coordinator (25 hours per week), and Accountant (4-5 hours every other week). The board authorized the engagement of an Asset Development Associate at 16 hours per week. This position is to be reviewed annually and is funded through our accumulated operating surplus.