

# How Community Foundations Differ from Other Charities

## ***Community foundations are a distinct type of registered charity.***

Unlike operating charities, community foundations do not deliver programs or services directly. Instead, they steward charitable funds and distribute grants to qualified charities in accordance with donor intent and Canada Revenue Agency (CRA) regulations.

### ***Key Differences***

#### **Operating Charities & Nonprofits**

- Deliver programs and services directly to the community
- Measure success through program outcomes and impact
- Often prioritize speed, activity, and service delivery
- Design and manage their own programs

#### **Community Foundations**

- Manage, invest, and steward charitable funds
- Measure success through strong governance, stewardship, and compliance
- Prioritize accuracy, documentation, and sound processes
- Do not deliver or control programs
- Enable community impact through grants to qualified charities

### ***Why This Matters***

Community foundations are held to a high standard of accountability because:

- Funds are endowed and held for the long term
- Donor intent must be respected and preserved indefinitely
- Decisions may be reviewed years or even decades later
- CRA compliance depends on clear records and documented processes
- Community outcomes are achieved through grantee organizations, not directly by the Foundation

*Community foundations create lasting impact by ensuring charitable funds are protected, responsibly managed, and distributed where they can do the most good.*

### ***Transparency & Public Trust***

Making this information publicly available reflects the Foundation's commitment to transparency, accountability, and responsible stewardship of charitable funds.

Clear governance practices help donors, community members, and volunteers understand how decisions are made and why certain rules must be followed.