



STRATEGIC DIRECTIONS 2010-2013

Coming out of the Economic Recession

After the deep economic recession of 2008-2009 a recovery, albeit timid, is predicted for the country for 2010. The losses incurred to the Foundation's endowment in 2008 (17%) were nearly fully recovered in 2009 (20% positive returns). The economic forecast is for a slow but steady recovery for Alberta. Despite this positive outlook, it is anticipated that the NFP sector will experience the brunt of the economic downshift in 2010, as governments cut back on funding in their efforts to address the deficits resulting from the stimulus packages, and corporations keep tight hold of spending to ensure financial stability is returned. Support to strengthen the charitable sector will be important in the coming year.

The dramatic downturn in the markets and the resulting impact on the Foundation's endowment in 2008 illustrated that the current operating cost recovery model is not sustainable in a fluctuating economy. At the December strategic planning session the Board considered the issue of cost recovery as a long term strategic issue for the Foundation. It is our challenge to adopt a strategy that best aligns with our values and supports the Foundation to achieve its mission and vision.

Strategic Directions

Proactive Community Leadership

Knowledge of community needs and the work of charitable organizations across all sectors, derived from 55 years of experience positions the Foundation to take a proactive leadership role in community building. Given the recent recession and the needs of the sector for support, proactive initiatives of the Foundation to strengthen the sector are more important now than ever before. Donors and charitable organizations have come to expect this from The Calgary Foundation. This is the direct charitable activity of the Foundation. It includes:

Calgary's Vital Signs

Calgary's Vital Signs is an annual check-up that measures the vitality of Calgary, identifies significant trends, and assigns grades on areas critical to the quality of life in Calgary. Building on the work of the first three years of producing the Vital Signs report, the Foundation launched Vital Conversations this year to further engage citizens at all levels in issues of concern in their communities.

Youth Vital Signs

Presented in partnership with Youth Central (formerly Child and Youth Friendly Calgary), Youth Vital Signs is a youth driven project that combines research and youth opinions in a report that will inform local government, youth funders and youth programs. This is the Foundation's opportunity to introduce the next generation to philanthropy and caring about their city.

Forever Funds Initiative

The Speaker Series is a key component of the Forever Funds initiative established to support emerging community needs in five areas identified as requiring increased funding and leadership (seniors, arts and heritage, diversity and inclusion, environment, mental health). Exploring and developing signature projects in the Forever Funds priority areas is a key element. Advancing the Arts Incubator is part of this work.

Social Enterprise Initiative

Work this year will be to follow-up the recommendation of the study completed last year to develop social enterprise initiatives for Calgary.

Sector Capacity Building Initiatives

This involves convening the sector to explore new solutions to capacity issues. Research, facilitation, and training are all important elements. Work this year will follow-up on the *Building a New Road* forum held in December 2009, as well as continuing the Communications/Recognition project wherein TCF hires communications consultants for a modest sum to work directly with charities to improve their strategic communications, branding and positioning in the community. Our objective is to research and implement new, similar low-cost/high impact means to strengthen Calgary's charitable sector.

Strategic grant making for greater impact is a focus of the Foundation. The Foundation's policy is to grant a percentage of the market value of the endowment. The Board reviews its disbursements annually. It was determined to disburse 5% again this year. This is possible because in years of higher returns, the Foundation still granted 5%. It is the Foundation's intent to be an ongoing source of support in unstable times. Support to the sector has never been more critical.

Through partnerships with others, and citizen engagement, the Foundation will continue to address community issues and build a strong community for the benefit of all.

Engaging Donors

Getting more intimate with causes they care about is an increasing interest among many donors. The Foundation is committed to engaging donors with community needs, to foster stronger relationships and add greater meaning to their philanthropy.

Increasingly donors are getting involved in Foundation granting advisory committees and agency site visits. More donors signed up on Donor Central as a convenient way to interact electronically with TCF regarding their Funds. Many donor engagement surveys were completed. These one on one conversations determined that donors are largely very satisfied with the services of the Foundation.

Grow the Endowment

Growing the endowment for the benefit of the community continues to be the overarching purpose of The Calgary Foundation. How the Foundation grows the endowment differentiates it in the charitable sector. It does not mount fundraising campaigns or events. Rather it seeks to inspire giving through results of its work in the community and forging relationships between donors and the causes they care about.

Well known for its responsiveness to donors, the Foundation will continue to expand its capacity to accept complex gifts. A key focus is to customize donor service and focus on meeting the donor's philanthropic goals rather than servicing the transaction of a donation. Interest in family philanthropy is expected to increase as wealth transfers to the next generation. There is an opportunity for the Foundation to be of service in family philanthropy.

Building relationships with the Professional Advisor Community is a key strategy for the Foundation to reach new audiences and promote philanthropy. The Professional Advisor (PA) program has been transformed to take a more personalized 'relationship building' approach. It is estimated that currently The Foundation penetrates approximately 25% of the PA market. There is opportunity to do more. It is the Foundation's strategy to assist PAs to help their donors achieve their philanthropic goals.

Investment of the endowment has been a major focus area as we strive to achieve the optimum investment return/risk balance, and achieve portfolio results that build donor confidence. The asset mix review has occupied considerable time at the Investment Committee meetings and at the Board table. Considerable progress was made in transitioning to the new asset mix this year. The Foundation will stay the course with its investment strategy with confidence that it has been crafted to protect against inevitable market downturns. This is work that was done in advance of the recession, and has proven effective in the recovery of the past year.