

# A Private Foundation need not end with its creators

**M**any prominent families in Canada have independently managed private charitable foundations, with some still being run by first-generation founders. When you work with a great advisory team - including a wealth advisor, a lawyer, and an accountant - you'll want to consider planning for the foundation to continue beyond your lifetime.

This can be achieved by involving your children or even grandchildren in the operation and grant-making of your private foundation. But we know that not only does it take years of work to grow great leaders but also that, despite best efforts, sometimes the next generation is not interested or able to step into your shoes and take over the operation of the foundation.

Consider a recent example of a family that established a private foundation several years

ago when two siblings received an inheritance and wanted to honour their parents by giving back to their community. While things are currently running smoothly and both siblings work with their advisory team to enhance their charitable impact, they are thinking further into the future.

The current challenge they are facing is a health issue that one of the siblings is dealing with. They are worried about who will take over in the event of a family tragedy, such as disability or premature death.

The long-term challenge is they have no family to pass the reins to, but a strong desire to see their foundation be a part of Vancouver's community for many years to come. Therefore they've established a relationship with Vancouver Foundation to help with their long-term vision.

Unexpected life events may derail the operation

of a private foundation, so estate planning with a catastrophe provision is important. This should be reviewed proactively by those managing the foundation to ensure a contingency plan is in place that provides peace of mind for the current directors of the foundation.

One option is to use an established organization such as Vancouver Foundation to carry on the charitable goals of the private foundation through a Donor Advised Fund. With the instructions from the private foundation, Vancouver Foundation can operate the new Donor Advised Fund in a manner that supports the family's long-term charitable vision.

By designating a family member as a successor fund advisor, there is always the opportunity to have family members involved, without having to burden them with

day-to-day administration or constant decision making. Rather, they can use the infrastructure that is already in place at Vancouver Foundation.

Taking some time now to plan for the future of your privately managed foundation is worthwhile, and a Donor Advised Fund can ensure your charitable intentions are honoured for generations to come. ∞



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## Lasting Legacies

We are honoured to acknowledge donors who include Vancouver Foundation as a beneficiary of their estate, RRIF, RRSP or life insurance policy. In 2017, these individuals left a lasting legacy for the community through Vancouver Foundation.

**Richard Berg**  
**Cecilia and Bruce Carter**  
**Penny Ehmann**  
**Gail Hause**  
**David Ker**

**Audrey Mason**  
**Richard Rennie**  
**Genevieve Rouse**  
**Winifred Searle**