

**Fwd: 25 Grants to Tides Canada Initiatives Society for \$5.3 Million in 2009**

From: VIVIAN KRAUSE <vivian.krause@me.com>  
 To: sarah.jane@tidescanada.org  
 Cc: Ross McMillan <ross.mcmillan@tidescanada.org>  
 Date: March 30, 2011 11:26:28 AM

Ms. Cuff,

I have received an automated e-mail response from Mr. McMillan, indicating that he is away on vacation until April 4 and that I should contact you in his absence. In light of that, I am forwarding to you the e-mail that I sent to Mr. McMillan, earlier today.

Sincerely,  
 Vivian Krause

Begin forwarded message:

**From:** VIVIAN KRAUSE <vivian.krause@me.com>  
**Date:** March 30, 2011 11:07:40 AM  
**To:** Ross McMillan <ross.mcmillan@tidescanada.org>  
**Subject:** 25 Grants to Tides Canada Initiatives Society for \$5.3 Million in 2009

Mr. McMillan,

I have done an analysis of the grants that Tides Canada Foundation (TCF) made to Tides Canada Initiatives Society (TCIS), according to TCF's U.S. tax return for 2009. According to my analysis, in 2009 TCF made a total of 25 grants to TCIS for approximately \$5.3 million. With regards to these grants, I would like to ask several questions:

1. Why does TCF fund projects indirectly through TCIS? Why doesn't TCF fund all of its projects directly?
2. Would the grants that TCF made to TCIS be acceptable to TCF's Canadian funders? Would all of the grants that TCF made through TCIS be acceptable to the I.R.S.? Put simply, my question is whether the reason that TCF funds these projects indirectly is in order to provide some measure of distance or "insulation" between these projects of TCIS and the original donors. If this isn't the reason that TCF funds projects indirectly through TCIS, what is the reason?
3. Does TCF/TCIS consider that the projects funded by TCF, through TCIS, are "qualified donees?" If so, on what basis are these projects considered to be "qualified donees?"

Below please find the information and analysis on which I base my questions. If anything here is factually incorrect, or if I have missed any important points, please let me know.

As before, I can be reached at 604.618.8110. Please do not hesitate to give me a call.

Sincerely,  
 Vivian Krause

**Qualified donee**

Qualified donees are organizations that can, under the *Income Tax Act*, issue official tax receipts for gifts that individuals or corporations make to them.

They include:

- registered charities;
- registered Canadian amateur athletic associations;
- registered national arts service organizations;
- housing corporations in Canada set up exclusively to provide low-cost housing for the aged;
- municipalities in Canada;
- under proposed legislation, for gifts made after May 8, 2000, municipal or public bodies performing a function of government in Canada;

- the United Nations and its agencies;
- universities outside Canada with a student body that ordinarily includes students from Canada (these universities are listed in Schedule VIII of the *Income Tax Regulations*);
- charitable organizations outside Canada to which the Government of Canada has made a gift during the donor's taxation year, or in the 12 months immediately before that period; and
- the Government of Canada, a province, or a territory.

Source: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/glssry-eng.html>

According to TCF's U.S. tax returns, in 2009 TCF made a total of 25 grants to TCIS for a total of \$5.3 Million.

Grants from Tides Canada Foundation to Tides Canada Initiatives Society (2009)	Amount
1 Rainforest Solutions Project (Great Bear Rainforest Initiative)	\$848,966
2 Forest Ethics Canada	\$783,603
3 Turning Point Initiative	\$505,134
4 Canopy (fka Markets Initiative)	\$404,565
5 Social Capital Partners	\$350,270
6 Island Conservation Canada	\$342,918
7 Canadians for Climate Leadership	\$307,581
8 Contact Project	\$306,924
9 Pacific Wild Project	\$264,262
10 Headwaters Initiative	\$248,246
11 Tar Sands Education Project	\$202,608
12 Shardick	\$192,648
13 Rivers Without Borders	\$177,919
14 Oceans Initiative	\$91,697
15 Rainforest Action Network Canada	\$62,510
16 Social Venture Partners Toronto Project	\$48,162
17 Hollyhock Scholarship	\$42,908
18 Hollyhock Leadership Institute	\$40,701
19 Tyee Research project	\$28,617
20 Naramata Conservation Initiative	\$17,513
21 Change Medium Initiative	\$13,135
22 Reel Youth Project	\$11,180
23 Urban Youth Riding Project	\$10,305
24 Canadian Biotechnology Action Network	\$7,185
25 World Peace Forum	\$6,340
	<b>\$5,315,897</b>
In 2009, grants from TCF to TCIS accounted for 57 PERCENT of total grants.	
Total grants made by Tides Canada Foundation in 2009: \$9,445,255	
Source: U.S. tax returns	

For each of the 25 grants that TCF made to TCIS in 2009, the details that are listed in U.S. tax returns, are provided below, in italics and quotation marks. In some cases, additional information is also provided and questions are raised.

The 25 grants that TCF made to TCIS in 2009 for a total of \$5.3 million, are listed below:

- 1) \$848,966 was for the Rainforest Solutions Project, "*in support of ongoing work to implement*

*ecosystem-based management in the Great Bear Rainforest."* The groups that make up the Rainforest Solutions Project are [Forest Ethics Canada](#), [Greenpeace](#), and the [Sierra Club of B.C.](#), according to the project's web-site.

- 2) [\\$783,603](#) *"for capacity building support of [Forest Ethics Canada](#)."*
- 3) [\\$505,134](#) *for ongoing work of the Turning Point Initiative ([Coastal First Nations](#)) "to implement ecosystem-based management in the Great Bear Rainforest."*
- 4) [\\$404,565](#) *"for various conservation initiatives of [Canopy](#)." Canopy is a market-based initiative that says that it aims "[to protect the world's forests, species and climate by helping publishers, printers and paper producers adopt green practices.](#)"*
- 5) [\\$350,270](#) - *"to provide research materials to local communities or groups, providing advice, consultation and resources to existing projects and the development of new ones with the focus on job creation via a contract with Social Capital Partners."*
- 6) [\\$342,918](#) *"for the charitable work of the [Contact Project](#)."*
- 7) [\\$307,581](#) - *"for general support of [Island Conservation Canada](#)."*
- 8) [\\$306,924](#) *"for general support of Canadians for the Climate Leadership project." This project seems to be one and the same, or part of, [Power Up Canada](#), an initiative led by Tzeborah Berman to get the federal government of Canada to enact laws and policies with regards to global warming.*
- 9) [\\$264,262](#) in support of [Pacific Wild](#), a project *"to protect the lands and waters of the Great Bear Rainforest."*
- 10) [\\$248,246](#) *"in support of conservation work of Klabona Keepers in the Sacred Headwaters region."*
- 11) [\\$202,608](#) *"for the Tar Sands Education project"*
- 12) [\\$192,648](#) *"to advance conservation in the Taku via the acquisition and operation of Taku Safari."*
- 13) [\\$177,919](#) *"in support of [Rivers Without Borders](#) work with the Taku Tlingit for conservation of the Taku watershed."*
- 14) [\\$91,697](#) *"for the Oceans Initiative's acoustic habitat quality for northeast Pacific marine mammals research project." [Living Oceans Society](#) says that it is funded by the [Oceans Fund at Tides Canada](#).*

- 15/16) \$83,609 "in support of the *Hollyhock Leadership Institute* and for general support of the *Hollyhock Scholarship project*." Hollyhock is an ocean-front facility in an idyllic setting on Cortes Island. Part of Hollyhock is a for-profit business, and the facility is also used, apparently, to run non-profit programs.
  - 17) \$62,510 "for general support of *Rainforest Action Network Canada*." This project calls itself "Environmentalism With Teeth."
  - 18) \$48,162 "for general support of *SVP Toronto (Social Venture Partners Toronto)*."
  - 19) \$28,617 - "for the *Tyee affordable housing research project* and the creation of a *climate change news desk*"
  - 20) \$17,513 - "for general support of the *Naramata Conservation Initiative*"
  - 21) \$13,135 - "for general support of *Change Medium project*."
  - 22) \$11,180 - "for general support and in support of *reel Youth Film Festival*."
  - 23) \$10,305 - "in support of *Urban Youth Riding Project's leadership and horses programs with Aboriginal youth*"
  - 24) \$7,185 - "in support of the *Canadian Biotechnology Action Network's "Not in My Fridge - Not in Our Future" project*."
  - 25) \$6,034 - "to support the charitable activities of the *World Peace Forum Education Project* in providing educational and cultural activities and an opportunity for broad segments of the population to discuss global peace issues."
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