Daniel H. Lanteigne

INDICE PHILANTHROPIQUE · LES AFFAIRES

Time-Limited Foundations: A Sign of a Sector in Full Transformation

Fondations à durée de vie déterminée: gage d'un secteur en pleine mutation

Mid-November 2025 · By Daniel H. Lanteigne

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PHILANTHROPY. Many believe philanthropy is frozen in tradition. Yet the sector is moving, questioning itself, and exploring bolder, more conscious and more transformative ways of giving—such as time-limited, or "spend-down," philanthropy.

Private foundations, once designed to last forever, are redefining their horizons. A new generation of wealth creators is questioning the very idea of perpetuity. A growing number of them are scheduling their own end date, convinced that the strongest impact is measured in intensity, not duration.

This shift marks the arrival of a philanthropy more conscious of time passing, one that aims for shorter-term transformations. In many fields, you'll agree, there's urgency!

A Generation in a Hurry to Act

The concept of a time-limited foundation involves voluntarily spending down its capital over a set period, or once certain objectives are met, before closing its books.

In a world where climate, social and health crises follow one after another, perpetuity is no longer a luxury our era can afford. More and more creators and leaders of private foundations prefer to inject their resources massively right now, rather than letting the interest compound over several decades. They're betting that today's impact is worth more than a distant legacy. These foundations don't claim they'll solve every targeted problem in a few years, but they believe that a focused, decisive contribution at a given moment can change everything.

Responding to Urgency

The Ivey Foundation is a perfect illustration of this shift. Rather than preserving its assets for future generations, it announced in 2022 its intention to spend down all of its assets by December 2027 in order to maximize its impact on decarbonizing the Canadian economy. A bold move that embodies a simple conviction: ending is also a form of accomplishing.

The same logic applies at the Euphrosine Foundation, created by Claire Trottier, which chose to concentrate its resources on a limited number of causes over a defined time horizon. True to its mission of strengthening spaces for civic deliberation and accountability, the Foundation aims to maximize its effect on pressing needs.

In Ottawa, the Happy Roots Foundation also embodies this new generation of private foundations. By focusing its work on young children's mental health, the Foundation stands out not only for its time-limited model, but also for its boldness in taking risks. It even funds early-stage projects still considered too premature by major funders. By betting on innovation and trust, Happy Roots acts like a social impact investor, banking on a lasting human return rather than a financial one.

A Model That Resonates

This approach resonates well beyond the philanthropic world. By betting on concentrated action, time-limited philanthropy borrows the codes of efficiency—not to impose a new model, but to adapt that rigor in service of the common good. It also makes accountability easier: results are tangible, observable in the short and medium term. Above all, it restores meaning to the act of giving: aligning capital with conviction.

By targeting specific challenges, these foundations amplify their leverage. More agile, they reduce administrative burden to focus on action. They also foster the transfer of learnings, tools and knowledge, which are shared before closing rather than diluted over time. Finally, they bet on trust by offering recipient organizations more flexible funding, free of interference, in the spirit of trust-based philanthropy.

Growth

Research conducted by Sacha-Emmanuel Mossu and David Grant-Poitras of PhiLab, the Canadian Partnership Research Network on Philanthropy, confirms the growing interest in this model. Their analyses show how time-limited foundations are redefining the notions of impact and responsibility.

This emerging trend doesn't signal the end of traditional foundations, but rather a new balance. Philanthropic models are diversifying and allowing themselves to explore other timeframes. Some choose continuity; others bet on intensity. It's this complementarity that will strengthen the sector.

Some challenges in fields such as research, health, education or the fight against poverty demand a constant presence and patient investment. Perpetual foundations therefore retain an essential role in maintaining the social safety net and funding stability.

Between continuity and urgency, a balance is emerging. It points to a simple truth: a foundation's impact isn't measured by how long it lasts, but by what it does. At a time when needs are accelerating, time-limited philanthropy invites us to rethink the very idea of "leaving a mark." Perhaps it's no longer about lasting a long time, but about acting fully, now.

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