

# Planning *for* KIDS

A Charitable Gift Planning Newsletter for SickKids Donors

**SickKids**<sup>®</sup>  
FOUNDATION

SPRING 2007 NUMBER 16

**HEALTHIER CHILDREN. YOUR LEGACY FOR A BETTER WORLD.**

## Dr. Nancy J. Vivian: Honouring family and leaving a legacy for children

A named endowment fund at SickKids Foundation can be the most significant gift of a lifetime since it allows donors to pay tribute to a family member, friend or an outstanding member of the community.

Dr. Nancy J. Vivian first learned of named endowment funds with SickKids Foundation while preparing to draft a new Will. A teacher turned academic librarian, Dr. Vivian had a personal reason for being interested in children's healthcare and was sure HSC, an institution renowned for its accomplishments in both research and patient care, would be a worthy beneficiary.

Following consultations with our Gift Planners, Dr. Vivian set up two endowment funds to honour her uncles, Ernest Vernon Vivian and Norman Edward Kirk. Ernie, who had been born prematurely, became afflicted as an adolescent with what was likely a form of muscular dystrophy. He showed great dignity even as he became increasingly disabled. Norman joined the air force at the outset of World War II, trained as a pilot and was killed in 1942 during a flying exercise at an RCAF base in Ontario.

An endowment fund is an institutional savings account where money is permanently invested and only the interest is spent each year. The annual income from endowments enables SickKids to invest in its highest priority research projects or in very specific programmes such as education or clinical care.

Dr. Vivian decided that both endowment funds should support research. She told our staff: "Ernie would have understood how important it is to give opportunities to the scientists at the SickKids Research Institute. Norman, I believe, would surely have supported children's healthcare since he had volunteered for wartime service so that Canada could remain a free country that cares for all its children." Dr. Vivian has designated her two endowment funds as the beneficiary of her RRSP account. This arrangement is beneficial to both parties.

continued on page 2



Dr. Nancy J. Vivian

"Dr. Vivian has designated her two endowment funds as the beneficiary of her RRSP account... The tax benefit to her estate will be considerable as the RRSP proceeds will bypass probate and go directly to the Foundation, thereby avoiding extra tax on the estate."

## UPDATE ON SICKKIDS DONOR ADVISED FUNDS

We are pleased to share that the first disbursements from established Donor Advised Funds at SickKids were made in December 2006 marking the one year anniversary of the launch of SickKids Donor Advised Fund.

Joe Stephen and his wife, Theresa, recently established The Stephen Family Donor Advised Fund, because it helps align their current philanthropy with their family's future legacy. They knew they were interested in impacting children's health and wanted SickKids to benefit from a portion of their annual contribution; but bringing family members into the fold meant that other charitable interests would play a part, too.

"It was important for us to align our charitable giving with SickKids Foundation, but we also wanted to involve the whole family in philanthropy, which meant keeping our options open to support other causes," Mr. Stephen said. "Most importantly, though, this gives us an opportunity to pass on a legacy to our children and grandchildren through a fund named in honour of our family."

If you would like more information about establishing a Donor Advised Fund and maximizing tax advantages through a fund please contact us at 416.813.8260.

## Dr. Nancy J. Vivian: Honouring family and leaving a legacy for children continued from cover story

Firstly, the Foundation will receive immediately the proceeds from Dr. Vivian's retirement account upon her passing. Secondly, the tax benefit to her estate will be considerable as the RRSP proceeds will bypass probate and go directly to the Foundation, thereby avoiding extra tax on the estate. Truly a win-win situation.

Dr. Vivian realizes that the funds she has set up will help SickKids provide the best treatments for all children. She intends to make gifts during her lifetime, and by doing so, will be able to see just what her funds can accomplish. We hear from her often, and she continues to reaffirm her support for the endowment fund programme. We are as pleased as she is that both Ernest Vernon Vivian and Norman Edward Kirk are part of the SickKids legacy.

---

## Did you know that you can preserve the value of your estate and save tax at the same time?

Upon your death or the death of your spouse, 100% of the assets in your Registered Retirement Savings Plan (RRSP) or Registered Retirement Income Fund (RRIF) are taxed.

A simple and effective way to preserve the value of your estate and avoid some tax liabilities is to designate the proceeds of your RRSP and RRIF to a designated charity like SickKids Foundation.

These estate-friendly investments allow you to simply change the beneficiary information on the plan document and advise the institution holding your retirement account of the change. While this doesn't allow your estate to completely avoid taxes on these assets, when a charity is designated as a direct or contingent beneficiary, these taxes are usually offset by the tax receipt issued by the charity for the full amount being transferred. This deferred donation is also advantageous because when plan assets are directly designated, they are excluded from the estate and are not subject to probate fees (up to 1.5%), executor fees (provincial statutes allow fees of up to 5% of the probate value of an estate), and legal and accounting fees.

The idea of preserving estate value serves as a reminder of the importance of ensuring you have an appropriate estate plan in place. If you don't have a Will, please see a lawyer as soon as possible. Without a Will, your intentions for the distribution of your estate may not be clearly understood. Whether for your loved ones or for a beloved charity, your Will is your last opportunity to direct your estate where you want it to go.

---

*"To give away money is in any man's power. But to decide to whom to give it, and how large and when, and for what purpose, is neither in every man's power nor an easy matter."*

– Aristotle

# Anna MacMillan: Life-long gratitude



Anna and her Dad, Emerson MacMillan

Anna MacMillan spent a lot of time at The Hospital for Sick Children between the ages of 10 months and two years. Born May 23, 1959, Anna was a bright, active, healthy baby until she was weaned off of her mother’s milk at the age of 10 months and diagnosed with severe allergic asthma. Because she was so young, Anna does not remember those days, but she recalls, “all of my life I heard the stories from my parents of how the amazing doctors and nurses at SickKids saved my life. With those stories were wonderful stories of the care I received, as well as all the caring that went far beyond medical care and helped me survive.” The inspiring stories of the nurse who would dance with Anna in her arms, the doctor who cried when Anna said “Thank you” after a tough procedure and the fuss the staff made over her first birthday, which was spent in the hospital, are remembered like they happened yesterday and are evidence of the long history of child and family-centered care.

Anna writes, “I always felt the depth of my parents' gratitude to the hospital for saving their only daughter, so that gratitude has been part of my life as well. Now, as a mother, it is hard to imagine what my parents must have gone through in my worst times. I am so thankful for my son's good health, and mine.”

Anna’s dad is now 80, and attributes Anna’s survival and zest for life in no small part to The Hospital for Sick Children. Because of this, he has asked for donations to SickKids in lieu of Christmas and birthday presents. Anna is pleased to honour this annual request, as she also makes a major donation every year to SickKids Foundation in memory of her mom. Anna said her best hope is that, “those donations can help a bit so another child as sick as I was is as fortunate as I have been.”

*“I don’t do it so much as a part of giving back – it’s just a part of my life. You believe in things and you support things. That’s just part of being alive.”*

– Wynton Marsalis

(The Chronicle of Philanthropy, Aug. 3, 2006, p.11, vol.xviii, n.20)

**Probate** is the legal process of settling the estate of a deceased person whereby assets are identified and gathered, all claims to the estate are resolved and its property is distributed to beneficiaries designated in the Will.

An estate administration tax must be paid as part of the probate application process, and is calculated based on the fair market value of all property owned at the time of death. It is important to note that this excludes registered investment products such as RRSPs and RRIFs that are payable to a named charitable beneficiary such as SickKids Foundation.

In accordance with the 1998 Estates Administration Tax Act (EATA), the following rates of probate were established for taxpayers in Ontario: \$5 per \$1,000 on the first \$50,000 of the estate’s fair market value, (\$250) and 1.5% per \$1,000 on amounts in excess of \$50,000. For province by province examples on estates valued at \$1,000,000 refer to the chart below.

Province	Fee on Assets of \$1 million
Alberta	\$3,000
British Columbia	\$13,658
Manitoba	\$5,990
New Brunswick	\$5,000
Newfoundland	\$5,000
Nova Scotia	\$4,800
Ontario	\$14,500
Prince Edward Island	\$4,015
Quebec	< \$100
Saskatchewan	\$7,000

# A Message from Judi Cooper, Director of Gift & Estate Planning

It is a privilege to represent SickKids. I am a parent myself, and my feelings go out to every parent I see in the Hospital. Their worry, their anguish, their hope and their joy are such a significant part of the environment in which we work. As a representative of SickKids Foundation, I meet with many of the nurses, doctors, researchers, administrators, and volunteers and I never cease to be amazed at their total commitment to giving the absolute best in care to all children. These are outstanding individuals, working together in a collective effort that is so very worthy of your generosity. We are all so grateful for the support that you give to SickKids. Thank you.

For more information about making a future gift to SickKids, please contact:



**Judi Cooper,**  
Director of Gift &  
Estate Planning  
416.813.8029

[judi.cooper@sickkidsfoundation.com](mailto:judi.cooper@sickkidsfoundation.com)



**Malcolm Berry,**  
Development Officer,  
Gift & Estate Planning  
416.813.2932

[malcolm.berry@sickkidsfoundation.com](mailto:malcolm.berry@sickkidsfoundation.com)



**Angela Murphy,**  
Development Officer,  
Gift & Estate Planning  
416.813.2931

[angela.murphy@sickkidsfoundation.com](mailto:angela.murphy@sickkidsfoundation.com)



**Nicole Aguiar,**  
Administrative Assistant,  
Gift & Estate Planning  
416.813.8271

[nicole.aguiar@sickkidsfoundation.com](mailto:nicole.aguiar@sickkidsfoundation.com)

## PLEASE NOTE

- The name you should include in your will to make a bequest to The Hospital for Sick Children is “**SickKids Foundation.**” The Foundation is the Hospital’s parallel charity, which raises money, performs estate administration and manages the endowment on behalf of the Hospital.
- We invite you to share your comments and ideas with us. If you have an idea for a story or would like to make a general comment or suggestion about the contents of the newsletter, please send an e-mail message to [gift.planning@sickkidsfoundation.com](mailto:gift.planning@sickkidsfoundation.com) or call 416.813.8271.

## FOR MORE INFORMATION:

**GIFT AND ESTATE PLANNING OFFICE**  
**SickKids Foundation**  
**525 University Avenue, 14th Floor**  
**Toronto, ON M5G 2L3**  
**[www.sickkidsfoundation.com](http://www.sickkidsfoundation.com)**  
**Toll free: 1-800-661-1083**  
**P: 416-813-8271**  
**E: [gift.planning@sickkidsfoundation.ca](mailto:gift.planning@sickkidsfoundation.ca)**

*Planning for Kids* is a charitable gift planning newsletter published two times a year by SickKids Foundation for its supporters. The information provided is general in nature and not intended to be a substitute for professional legal and financial planning advice. The Foundation encourages donors who are planning a significant donation to seek legal and financial planning advice.

SickKids Foundation respects the privacy of its donors; we do not sell, rent or trade our donor lists. The information we collect is used to process donations, keep our donors informed about the activities of the Hospital and Foundation, and ask for their support for our mission to improve children’s health. If at any time you wish to be excluded from future contacts, or to discuss our privacy options, call us at 416.813.8271 and we will accommodate your request.

*We would like to thank AIM Trimark Investments for their donation of graphic design and editing services, as well as Grafikom for printing this newsletter.*