

Private Giving Foundation

A simple, effective way to support the causes that matter to you.

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Book Review: *The Philanthropic Mind: Surprising Discoveries from Canada's Top Philanthropists*

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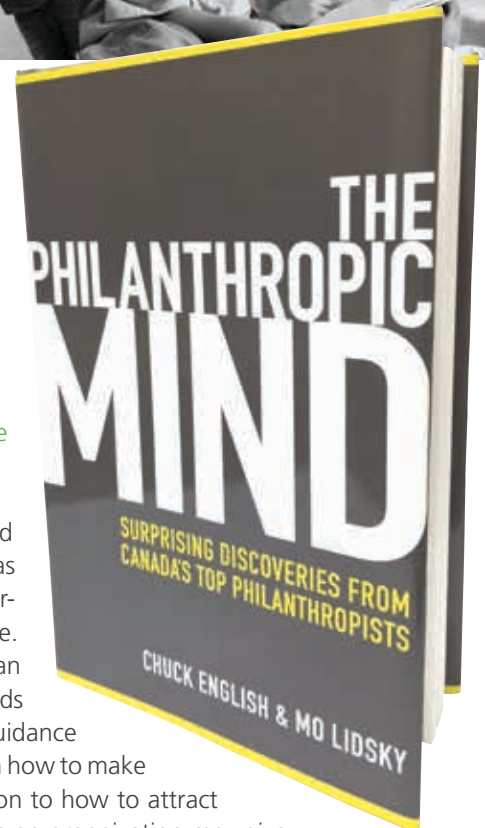
The Philanthropic Mind: Surprising Discoveries from Canada's Top Philanthropists reveals insights from notable Canadian philanthropists. Through interviews and real accounts, it studies the mindset of generous Canadians who have made significant gifts to a variety of registered Canadian charities.

Philanthropic giving has become much more than just a tax-saving strategy: donors want to measure impact and ensure wise use of their resources. "Philanthropy is the space in which the not-for-profit and business worlds are often forced to find common ground," says co-author Chuck English. "Yet, it doesn't always work out that way – mostly because of very different expectations. The philanthropist who wants to use his resources to change the world is confronted by the not-for-profit organization that just needs enough money to make payroll this month."

The Philanthropic Mind offers some inspiration on and lessons for your charitable plan. "We hope that those who are just starting on a path of philanthropic involvement will find the experiences and insights of these philanthropists to be instructive and motivational," says Mo Lidsky, co-author. Most of Canada's top philanthropists adopt business strategies to ensure the needs of donors and organizations are met. Here are some tips on how you can make your philanthropic efforts count:

1) Give your time first, then money.

Your knowledge and expertise may be as valuable to a not-for-profit as a cheque. Sometimes what an organization needs most is advice and guidance – on everything from how to make a pitch for a donation to how to attract talent. Working with an organization may give you an opportunity to scrutinize the management as well as to see how your resources will be deployed. Once you are comfortable with the organization and feel it can benefit



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from a gift, then a monetary gift may be a natural extension. Hal Jackman, the former Lieutenant Governor of Ontario, is well-known for his charitable work. "I was interested in opera, but I think I got on the board before I gave money, he says. The same with the University of Toronto, which are the two things I have given the most. I was involved in the university before I really made the decision to give money to them."

2) Take a few risks.

Taking a calculated risk can be good for business, but does the same apply to charitable giving? English says yes. "Many of the projects funded by philanthropists we interviewed were groundbreaking and inherently risky," says English. "For many philanthropists, the ability to feel comfortable with risk-taking does them well in business and giving."

For example, the Juris Doctor/MBA programs that Jay Hennick, founding CEO of FirstService Corporation, wanted to create at both the University of Ottawa and the University of Toronto were one-of-a-kind in Canada. Both programs are still ongoing, decades later.

3) Take a step-wise approach to giving.

Philanthropists want to see their money put to good use and to make a difference. More and more, philanthropists think of their philanthropic gift as an investment, which may or may not reap the desired results. One way to protect your investment is to build a long-term relationship with the organization. To minimize risk, instead of giving one big gift in one shot, consider spreading out your donations. Start with smaller gifts, and grow as you feel comfortable, as Eric Sprott has. His first gift to Carleton University, shortly after graduation, was only \$200. Now, he is one of Carleton's most generous contributors. Taking this approach allows you to become truly acquainted with the organization and its work.

4) Set clear goals and expectations.

If you approach your giving the same way as you would investing, then consider what may be an appropriate return. A good return on your investment might be to increase the size of the community

served by 20 percent, or to find and create efficiencies within the ranks. According to Marla Dan, of the Aubrey and Marla Dan Foundation, the new generation of philanthropists is demanding a return for their money. "I think the younger generation has a different connection," says Dan. "They won't just write the cheque, no questions asked. They want to know where exactly it is going and what it's going to be there for, how is it going, how it is going to be managed, how many hands is it touching before it gets to the end."

5) Align your business interests.

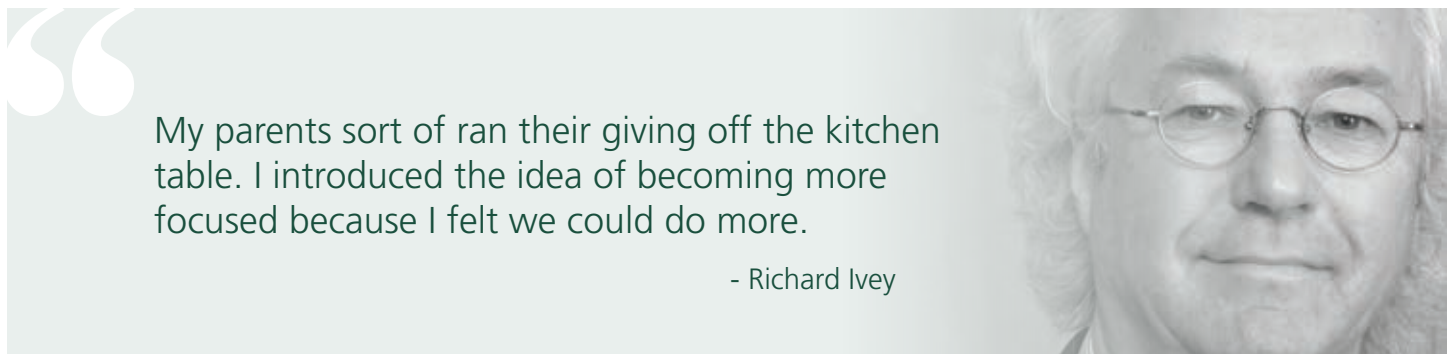
Increasingly, companies are looking to corporate social responsibility as an opportunity to fundamentally strengthen their businesses while giving back. Some innovative companies are partnering with not-for-profits as one way to create value.

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Renowned philanthropist Richard Ivey says that giving has been an evolutionary process for him and his family's foundation. The Chair of Ivest Properties, and member of the Order of Canada, is a supporter of many educational, health and community causes. Continuing his family's tradition, he has been deeply involved in Canada's philanthropic sector, having served in numerous leadership positions. In addition, the Ivey Foundation provides more than \$2 million annually to Canadian causes.

When Ivey was in his 20s and just starting out on the board of the Ivey Foundation – his family's foundation – he witnessed his parents' 'style' of giving. He recalls that they wrote bundles of cheques to many good causes, but he felt their giving plan lacked a focus or a cohesive purpose. "My parents sort of ran their giving off the kitchen table," says Ivey. "I introduced the idea of becoming more focused because I felt we could do more."

If you would like a copy of *The Philanthropic Mind: Surprising Discoveries from Canada's Top Philanthropists*, please contact joanne.ryan@td.com.





Tax Tips

December 31st is the deadline to make charitable donations that may be claimed personally in the 2016 calendar year.

- You may pool charitable receipts and claim on either spouse or common law partner's tax return regardless of whose name is on the receipt. It may be beneficial for the person with the highest income to claim the charitable donations on their tax return.
- You may claim donations up to 75% of your net income and excess donations may be carried forward and claimed in the

subsequent 5 years subject to the 75% limit. You may want to discuss with your tax advisor the optimum timing for claiming the donation.

- It is always better to donate appreciated publicly traded securities instead of cash, as you will eliminate the capital gains tax. If you still want to own the security, you may repurchase it with other money immediately, and you will have "stepped up" your cost base to the new market value.

Canadian Women and Philanthropy

In 2014, TD released the report "*Time, Treasure, and Talent: Canadian Women and Philanthropy*". It was the first in depth review of the presence and influence of female philanthropists in Canada. We are pleased to release an addendum to the report in June 2016. To view both reports, please visit tdwealth.ca/philanthropywomen2014 and tdwealth.ca/philanthropywomen2016.

Since the release of the report, TD has been partnering with charities across the country holding events featuring panel discussion with local women philanthropists. As a result of our focus on women and philanthropy, TD was invited to be a major sponsor of **Women Moving Millions** – a philanthropic organization (founded in 2012) that brings together women, mostly from the U.S. and Canada who commit to give a minimum of \$1 million over a period of 10 years to organizations supporting the advancement of women and girls.

"The Power of Innovation" was the key theme for this year's **Women Moving Millions** summit, with compelling stories shared by leading philanthropists, social entrepreneurs and private foundations on how to invest time, money and expertise to move the needle for gender lens philanthropy. You can find more about the organization at womenmovingmillions.org.



Give the gift of *giving* this holiday season



With the holidays around the corner, why not consider giving those on your gift list a Charity Gift Card from *CanadaHelps*? It's easy to share those good feelings with someone special.

- You choose the card design, the value, and delivery date and can even include a personal message.
- *CanadaHelps* will deliver your card via email, or you can print it out and deliver it yourself.
- The recipient chooses any Canadian charity they're passionate about to receive the funds.
- You'll also receive a charitable tax receipt and be notified when your gift is redeemed.

A Charity Gift Card is the perfect gift for any occasion. For more information, please visit canadahelps.org.

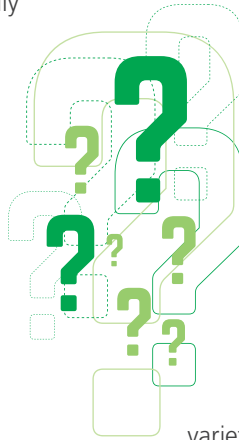
Q and A

Q: Am I able to donate to projects outside of Canada from my Private Giving Foundation account?

A: Generally, you are able to donate to "qualified donees" through your PGF. Qualified donees include registered charities in Canada as well as some exceptions including prescribed universities and colleges outside of Canada typically that Canadians have attended. The full list of qualified donees can be found in the program guide at tdwealth.ca/privategiving. If you are interested in funding an international project, a donation may be made directly to or from your PGF account to Charities Aid Foundation (CAF Canada) who are able to provide the oversight and due diligence on the project in compliance with Canada Revenue Agency requirements. For more information, please visit cafcanada.org or contact joanne.ryan@td.com.

Q: What are the rules for donating proceeds of the sale of private company shares or commercial real estate?

A: The federal government announced in the March 2016 federal budget that it was not proceeding with the draft legislation that would have exempted the capital gains realized from tax when proceeds from the sale of real estate or private company shares are donated to a registered charity. The measure was introduced by former Finance Minister Joe Oliver in the 2015 budget and was to come into effect January 1, 2017. The proposed rule would have put donations of the proceeds from the sale of appreciated private corporation shares or appreciated real estate on a similar footing as donations of publicly traded securities and was praised by the charitable sector when it was introduced as a wonderful incentive that would spur the philanthropically inclined to consider major gifts to a variety of Canadian charities in 2017 and beyond. A number of charitable groups including *Imagine Canada* are in discussions with Department of Finance to put this measure back on the table.



With Gratitude

The PGF Board of Directors would like to thank you for establishing a legacy of giving to support the causes that are important to you. Please do not hesitate to contact us if you require guidance to reach your philanthropic goals. Thanks to your generosity, PGF has distributed over \$115 million to a wide range of charities since inception. We would like to take this opportunity to wish you and your family a joyful holiday season.



Photo: ©Greg Pacek

We welcome your questions and comments. Please direct them to joanne.ryan@td.com or call **416-308-6735**.

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tdwealth.ca/privategiving



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