

# The Globe And Mail

## An easier way to give, and be remembered for it

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### FINANCIAL SERVICES REPORTER

Mischa Weisz, a scrappy self-made entrepreneur in the automated banking machine business, hadn't thought much about what he was going to do with the millions he had amassed until, just barely past the age of 50, he was diagnosed with terminal pancreatic cancer.

The Hamilton-born founder of TNS Smart Network Inc., a company whose system came to run about one-fifth of the bank machines in Canada, had paved his way with a lot of ambition, and he was proud of his success.

When he was diagnosed in 2007, he lay awake at night thinking about his company, his two children and his legacy. He wrestled with the question of what to do with his money.

"How much do you leave your kids?" he wondered during an interview in early 2008. "A million bucks? And then what do you do with the rest of it? The more I think about it, scholarships sound like a good idea. I like charity, but you never know where the money's going."

Mr. Weisz, originally told by the doctor that he had about five months to live, waged a fierce battle against his cancer and lived until late 2009. "He didn't intend to pass away as quickly as he did, he was fighting tooth and nail," said his life-long friend Frank Helt, a portfolio manager at TD Waterhouse who deals in private investment advice. "He was in year two [of his diagnosis] but all of a sudden his health started to deteriorate rapidly. He had sold his business, and he had millions of dollars."

Mr. Weisz donated more than \$1-million to local charities, with all of it going to projects that would benefit children, such as a YMCA program that was set up in local schools. But he wanted to do more.

Mr. Helt suggested making a contribution to TD's Private Giving Foundation. "I approached him and said, 'Your circle of friends and family can be involved in charitable giving forever.' You can make one contribution to the Private Giving Foundation and then your designates can make contributions from it each year."

Mr. Weisz loved the idea and left an additional \$1-million-plus to the foundation. Part of what appealed to him was the idea that every time his friends and family allocate \$10,000 or \$100,000 to an organization, his name and story will be retold and will live on, Mr. Helt said.

TD was the first Canadian bank to launch a donor-advised fund or community fund (its private-giving foundation), but they are now commonplace.

They incorporate many of the benefits of a private charitable foundation without the need to set one up.

"Although private foundations remain the philanthropic standard for affluent individuals and families, often they are not the right choice," says a report by Malcolm Burrows of Scotia Private Client Group and Aron Pervin of Pervin Family Business Advisors Inc.

It notes that significant philanthropy can be divided into two categories: direct gifts to charity, and gifts to intermediary "charitable containers" such as private foundations and donor-advised funds, which are intermediaries between the donor and charities.

Such containers, which often accept donations as low as \$10,000, are increasingly being used for the ease and flexibility they provide.

"Sometimes people don't want to set up their own private foundations; there's an administrative cost, they're a hassle, there's a lot of compliance," said Barry Segal, a lawyer with Ogilvy Renault. "The community foundations are very good for that because you can have what they call donor-advised funds where you basically get to advise them without all the hassle of maintaining your own private foundation."

Lori Duffy, a partner at WeirFoulds LLP who specializes in trust and estate planning, says she's seeing more of her highest-net-worth clients making one big charitable donation rather than establishing a trust. Some families are funding the wing of a university or hospital rather than handing out smaller gifts through a foundation. "They really want to see that they've made an impact," she says.

Donors also want more control over and more measurable results from the funds they donate. "They want to ensure that the charity is acting fiscally responsibly about their donation," Ms. Hoffstein says. "It's sort of the Bill Gates philosophy: It's not good enough to give, you've got to give in a responsible way."

Jo-Anne Ryan, vice-president of the TD Waterhouse Private Giving Foundation, adds, "The boomer generation is definitely asking a lot more questions, and is very hands on."

