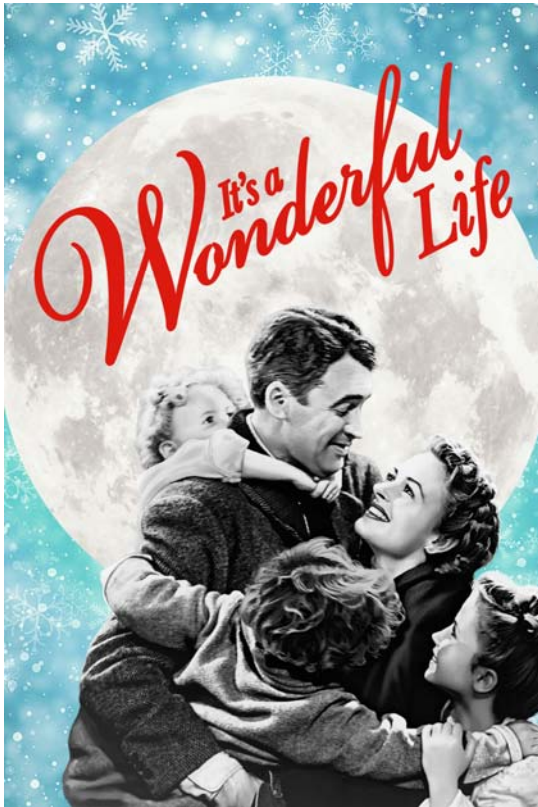


Your George Bailey Moment



Remember Frank Capra's 1946 classic film "It's a Wonderful Life"? In it George Bailey, as played by Jimmy Stewart, is shown through the intervention of his guardian angel all the lives he has touched and the contributions he has made to his community. In much the same way I believe you could be reading this article because you too wish to make a positive difference in the world today. The question often is ... "How do I do this in order to maximize my impact?"

For most of us our first experiences with charity tend to be rather reactive. What I mean by this is we engage in "check book philanthropy" in which we make a donation based on the person asking (i.e. usually a friend or co-worker), because we see an urgent need, or, have a heartfelt connection to the causes we care deeply about. There is nothing wrong with this approach, however, you may wish to consider those strategies that could allow you to become much more strategic with your giving.

By taking the time to step back and proactively plan your giving, you have the opportunity to exponentially multiply your positive impact. What charities are you closest to and which of these have the potential to solve societies greatest challenges? The answer to the first question is probably a lot easier than the second! I recently came across a list published by The Global Journal which has developed eight traits to look for in a great philanthropic organization. I have been in and around the charitable sector for over 20 years and I have yet to come across a better methodology.

1. **Innovation:** Creativity in programming and fresh approaches to old problems.
2. **Effectiveness:** Delivery against objectives with high quality external evaluations.
3. **Impact:** Outcomes over inputs – is the organization donor driven versus self perpetuating.
4. **Efficiency and value for money:** Administrative overheads are reasonable keeping in mind as Oscar Wilde once said, "A cynic is a person who knows the price of everything and the value of nothing."
5. **Transparency and accountability:** An extremely high level of reporting.
6. **Sustainability:** Enduring impact and relevant problem solving.
7. **Strategic and financial management:** Consistency of funding with a well-developed self-evaluation process in place.
8. **Peer review:** How is the organization perceived by other charities and what awards and recognition have been received?

By applying the above eight metrics and utilizing them as a check list you can't but help but find a quality organization.

Once you have narrowed down the causes you wish to support you are now in the enviable position to take advantage of the many incentives in Canada that has created what many would argue is the most generous tax environment to promote charitable financial activity in the world today. By planning your giving wisely you can take advantage of those opportunities to reduce the taxes you pay today and on your estate when you pass on.

In regards to the latter, leaving more for your family and friends, vastly increasing the amount directed to those causes that are meaningful to you, while at the same time, if you so choose, eliminating The Canada Revenue Agency as one of your beneficiaries.

There are numerous strategies that you and your family could take advantage of to achieve the above. These include, but are not limited to, a straightforward gift in your Will, donations of appreciated securities (thereby eliminating the capital gains tax associated with the securities), the creative use of insurance (often eliminating the tax on your estate) and Donor Advised Funds (akin to having your own private foundation with very little of the hassle).

When "It's a Wonderful Life" was released in the mid 1940's perhaps surprisingly it was considered a box office flop. However, today the movie has come to be regarded as a classic and is a staple of Christmas television around the world. In much the same way, the good we do today is not always recognized as such and it's impact sometimes takes decades to realize. Seek out a professional with the ability and skills in the philanthropic sector to assist you in becoming much more strategic with your giving so you can leave a positive legacy for years to come.

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