



# Planning Matters

Summer 2008

## Grad Donates Farm to Support Medicine Scholarship for Aboriginal Students

His substantial gift of real estate will appreciate in value and help Aboriginal medical students through a memorial scholarship.

What grows on a family farm in Saskatchewan when the mother is a teacher and the father is a farmer? A young man who becomes a well-respected doctor and donates that same farm to the university that got him started on the path of education.

Dr. John A. Downey, who grew up near Nokomis, Saskatchewan, has chosen to leave his family's farm to the University of Manitoba in his will as a way of showing his gratitude for the medical education he received at the university, as well as to support others who want to pursue a medical education.

Dr. Downey graduated from the University of Manitoba with his M.D. and B.Sc. (Med) in 1954 and now practises medicine in New York City, but he is going back to his roots on the Canadian Prairies with his gift of real estate.

"Coming from a rural area, I know the challenges one faces when going to university," says Dr. Downey. "This scholarship will help encourage Aboriginal students who may face similar challenges as they pursue their medical education."

This gift, once realized, will add to a \$50,000 endowment fund – set up by



*By leaving a gift of real estate in his will, Dr. John A. Downey supports the Victoria and J. Stuart Downey Entrance Scholarship in Medicine in honour of his parents.*

Dr. Downey with contributions from family and friends – for the Victoria and J. Stuart Downey Entrance Scholarship in Medicine in honour of his parents. The scholarship will support Aboriginal students entering the Faculty of Medicine.

Canada's Aboriginal population is growing at a rate faster than the national average, which makes the access to education that the entrance scholarship provides timely and important to the University of Manitoba's programs that support Aboriginal students.

The gift is also symbolic. "My roots are on that farm, and by giving this

gift I'm transferring that over to the University of Manitoba which will then transfer it to the students," says Dr. Downey. "This is financially advantageous as well because I expect that the land will only improve in price and it allows me to give something of value that I don't have in cash."

Dr. Downey has had a long and distinguished career in medicine. He ultimately became the Simon Baruch Professor and Chairman of the Department of Rehabilitation Medicine at Columbia Presbyterian Medical Centre in New York, where he is Professor Emeritus.

**Meet the New President at the Isbister Legacy Society Luncheon**

**Thursday, September 11, 2008**

**Opening Remarks:** Dr. David T. Barnard, University of Manitoba President and Vice-Chancellor

**Keynote Speaker:** Dr. David Barber, Director of the Centre for Earth Observation Science at the University of Manitoba and Canada Research Chair in Arctic System Science

Please mark the date on your calendars and look for your invitation in the mail this summer.

## Life Insurance for the Philanthropist

Merle Boyd's choice to make the University of Manitoba the beneficiary of an existing life insurance policy achieves several financial planning objectives. A change to the beneficiary designation on an existing life insurance policy is as easy as going into your life insurance broker's office and signing a form, and it has several advantages:

- An individual can retain ownership of a life insurance policy with the option of changing the beneficiary designation at any time. This offers flexibility if the policy holder changes his or her mind.
- When a policy holder dies, the life insurance proceeds are not part of the estate so no probate fees are applied. This means more will be left for family members and less will go to the government.

Another advantage of making gifts of life insurance is that policy holders can reassign an existing policy without taking out a new policy, which could require a medical examination. A gift of life insurance allows donors to make legacy gifts without using money that they may need to live on. It also means they can make their gift without taking away from any of the other assets in their estate that they would prefer to leave to family.

*For more information on gifts of life insurance, or other types of legacy gifts, please return the enclosed response form in the envelope provided or contact Beth Proven, CFRE, Manager, Planned Giving at [Beth\\_Proven@umanitoba.ca](mailto:Beth_Proven@umanitoba.ca) or call (204) 474-6246.*

# Former WHO Nurse Sets up Bursary

Gift of life insurance ensures nursing students succeed in university.

**M**erle Boyd has always enjoyed working with people, and that passion led her to pursue a career in nursing.

"You have to like people," says the retired public health nurse.

It was that same love of people that led Boyd to establish a bursary for nursing students by making the University of Manitoba a beneficiary of an existing life insurance policy. Boyd's generous gift will establish the Harvey and Merle Boyd Bursary in Nursing, named for her husband and herself. The award will give students the same opportunity to pursue an education that Boyd had.

"I attended school on a [Victorian Order of Nurses'] bursary myself. If it hadn't been for that bursary, I wouldn't have been able to go," she says of her reason for giving back.

Boyd received her Public Health Nursing Certificate from the University of Manitoba's School of Nursing in 1946. After working in Canada for eight years, Boyd joined the World Health Organization (WHO) in 1954, which sent her to Indonesia as a Technical Assistant. It was there that she met her husband and became an instructor for public health nursing.



*After retiring from nursing, Merle Boyd took up watercolor painting and is now an accomplished artist, having painted in Ireland, Italy, Spain, Hawaii and Mexico, among other places.*

Dr. Dauna Crooks, Dean of the Faculty of Nursing, is thrilled that Boyd had made a provision in her will to provide for future nursing students who have the drive, but not necessarily the means, to attend university. "I think it's wonderful!" she says.

Crooks also appreciates Boyd's passion for her work, noting that more public health nurses, like Boyd, are needed in Manitoba.

Boyd has always been an advocate of education. Part of her responsibilities in Indonesia involved recommending suitable students for an exchange program with Canadian universities.

In 1960, Boyd moved to the U.S. and became the state supervisor of the North Dakota Practical Nurse Program. She later served as the instructor of the Health Occupations Course at the Lebanon, Oregon high school.

Boyd's desire to see nurses receive quality education stems from her personal life experiences and the opportunities her education afforded her. "I've always had a kind feeling in my heart for nurses," she says.

# The Answers to Gifts of Real Estate

While there are a few considerations, creative planning can make a gift of real estate an attractive option for a philanthropically minded person.

By Beth Proven, CFRE, Manager, Planned Giving

**D**r. John Downey's decision to leave his family farm to the University of Manitoba in his will (see page 1) is a very novel way for him to establish a significant legacy, creating a fund named after his parents that will help Aboriginal students pursuing medicine. The university will ultimately sell the farm and the proceeds will be put into the fund. The farm will first be offered to Dr. Downey's family. For Dr. Downey, who does not live on the farm and therefore cannot claim it as a principal residence, there will undoubtedly be capital gains to contend with. In making the bequest, his estate will receive a tax receipt for the fair market value, which will offset part of those gains.

**Q: Is this normally how gifts of real estate are done?**

**A:** Well, in Dr. Downey's case, the real estate gift is designated in his will. Another example is a condominium developer who arranged to donate one condo a year for three years from his new buildings. In this case, the developer wanted to make a significant impact to improve his community, but was not in a cash position to do so.

**Q: What if the only real estate I own is my house and I still need to live in it?**

**A:** For a really determined philanthropically minded person, it is possible to donate your house to the university, and keep living in it. In this situation, a legal arrangement will be drawn up to cover

ongoing maintenance, insurance and other details, such as what happens if you can no longer stay in your house due to health reasons.

**Q: What is meant by "wealth replacement" and how does it relate to gifts of real estate?**

**A:** Suppose you own a cottage or other non-principal residence property that has appreciated a great deal since you bought it, for which capital gains taxes would be owing if it was sold or bequeathed to family. Suppose also that your children do not want the property, but it is one of the principal assets you have to leave them in your will and really constitutes your legacy to them. It is possible to donate the property to the university, trigger the charitable tax credit, and then purchase a life insurance policy with the tax credit equal to the value of the property. Your children are then made the beneficiaries of the life insurance policy. Ultimately, they will receive a cash payment from the life insurance company that is also not subject to probate fees because the life insurance policy is outside of your will. The university sells the property and achieves your philanthropic goals with the proceeds of the sale.



Beth Proven

**Q: What are some of the things that need to be considered when thinking about a gift of real estate?**

**A:** The University of Manitoba has a policy on gifts of

real estate that requires things like a fair-market value appraisal and title clearance. Obviously, the university will want to consider whether it has a use for the property or not, and if it is saleable. The overall condition, especially if there are any environmental issues, liens or mortgages, is also an important factor. A straight yes or no answer to those questions does not always determine whether the university will accept the gift. But in some cases if the property, such as a primary residence, is a gift in a will, it is more likely that the executor would sell it and make the legacy gift in cash.

As with all financial matters, it is important to consult your own financial planner or lawyer to see which options work for you.

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# Passing the Torch

**W**e bid a fond farewell to Dr. Emőke Szathmáry, whose 12-year term as University of Manitoba president ended June 30, 2008. A strong supporter of the Isbister Legacy Society, she was a tireless advocate for the University of Manitoba, leading the successful Building on Strengths Capital Campaign which brought in \$237 million in just five years. In total, over \$400 million in gifts came in

during her tenure.

Building on these successes will be Dr. David T. Barnard, who began his five-year term as president on July 1, 2008. Dr. Barnard is a respected scholar, administrator, educator, businessman and author. Most recently chief operating officer of an information technology company in Regina, Barnard has also been the president of the University of Regina.



Dr. Emőke Szathmáry

## Longtime Bison Sports Fan Financially Backs His Teams

Burton Robinson supports the Bison Foundation Athletic Fund, Women's Ice Hockey and the Bison Football Alumni Dinner, among other things.



Burton Robinson, Bison Sports number one fan, with football Coach Brian Dobie and the Vanier Cup. The Manitoba Bisons football team was undefeated in the 2007 season and took home the CIS Championship, proving that they too are number one.

**O**ne of Bison Sports' biggest fans is undoubtedly Burton A. Robinson. This longtime booster has supported many Bison Sports programs with cheers and financial support for nearly a decade.

In addition to supporting Women's Ice Hockey and Bison

Football, he has also provided funding for uniforms for the Bison cheer team, which recently won the international cheerleading competition in Vancouver.

"I have always had an interest in local sports, and I have followed the Bison football teams for many years. Bison Sports is my pet," Robinson says, adding he is an avid fan of Bison hockey, basketball, volleyball and football, and that he tries to get out to as many games as possible.

Through an annual giving plan, Robinson has generously given to many University of Manitoba initiatives, including the I.H. Asper School of Business and the Faculty of Engineering, but his passion for Bison Sports has been a mainstay.

Robinson will turn 100 on October 10, 2008.

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