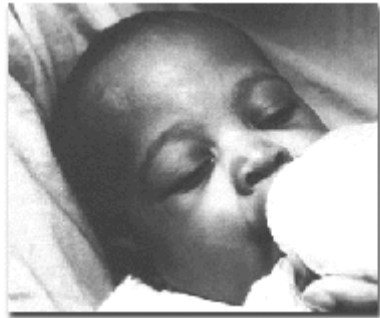


## **Annual Report 1994**

### **Foundation Mission Statement**

The Children's Hospital Foundation advances the physical, mental and social well-being of children and their families in Eastern Ontario and Western Quebec by raising, managing and disbursing funds. The Foundation advances children through its support of the Children's Hospital of Eastern Ontario (CHEO). The Foundation also promotes awareness of children's health issues as well as CHEO's achievements.



## Message from the Chairman and President

1994 has proven to be another successful year for the CHEO Foundation. Overall, funding to the Hospital has increased from \$800,000 a year in 1990 to \$2.5 million in '94. \$4.7 million was raised this year allowing us to meet two of the three goals set out in our long-term plan. These being:

- financing the research building;
- transferring \$2.5 million to the Hospital annually; and
- building the general endowment fund to \$10 million by 1997.

The endowment fund target, our third goal, is a little behind at this time but with the Research Building Campaign now completed, the next few years will allow us to address the shortfall.

Endowment funds are important because they guarantee a minimum amount of funding is always available. CHEO's endowment targets are relatively modest as compared to some charitable organizations.



Achieving our first two goals has taken a tremendous effort. We would like to acknowledge the Foundation staff, the Board of Directors, and the Hospital staff for helping to make 1994 a resounding success. Of course, our supporters in the community deserve a great deal for their efforts on behalf of the Hospital.

Looking to the future we realize that achieving the third goal of building up our endowment fund will take the same dedication, but the board and staff look forward to meeting the challenge. We will also be setting new goals to guide our efforts to help the Hospital with its growing list of needs.

Please contact the Foundation if you have any questions about this annual report or our activities.

Sincerely,

Robert Houston  
Chairman of the Board

Richard Patten  
President and CEO

## Celebrating Success

The official opening of the CHEO Research Building in October was certainly the most significant event of the year for the Foundation because it was the culmination of four years of fund-raising efforts. For many participants at the official opening ceremony there was an underlying reason for added excitement.

Although work was still being completed, researchers in the Molecular Genetics Laboratory were painstakingly close to a major breakthrough in finding the defective gene associated with Spinal Muscular Atrophy (SMA), the most common genetic cause of death in Canadian infants.

It would be the second major breakthrough in neuromuscular disease research at CHEO. In 1992, a team working in the same laboratory located the gene which causes Myotonic Muscular Dystrophy (MMD).

Just two months after the opening of the building, the research results were featured in a cover story of the Jan. 13, 1995 edition of *Cell*, a prestigious international scientific journal.

The buzz which had been circulating discretely at the building opening was finally heard around the world.



According to Dr. Alex MacKenzie, a clinical scientist and paediatrician in CHEO's Molecular Genetics Laboratory, "This couldn't have happened anywhere but at CHEO."

"The project had such a local focus, with patient, clinical and hospital input combined with the right mix of people in the right place at the right time," he said.

MacKenzie portrays both the Foundation and the Research Building as essential pieces that came together in a complex, intricate puzzle.

The Foundation provided an operating grant in 1991 which helped keep the research project afloat. Additional grants were also provided in '92, '93, and '94 to pay student salaries.

"The new facilities in the Research Building allowed us to throw the project into high gear," said MacKenzie. Progress was much faster as a result of the increased work space and state-of-the-art equipment.

Since the results have been made public, a great deal has happened which bodes well for future research at CHEO.



"We have been asked by two funding agencies to submit applications," says MacKenzie with an ironic smile on his face.

"The shoe is on the other foot for a change, which is nice."

In terms of patient care, the findings will lead to a greater understanding of the disease. The research team hopes to

soon determine the function of the gene as a prelude to replacing the defective gene, as in the case of SMA, with an effective drug.

The gene's discovery may also provide important clues in our understanding of other neuromuscular genetic diseases such as Parkinson's, Lou Gehrig's and Alzheimer's diseases.

As well as touring and lecturing to share this information, CHEO researchers are also looking at licensing the technology which will generate revenues for future research.

This find, the previous MMD find, and a great deal of the research going on at CHEO are helping to solidify the Hospital's position as a world-class paediatric institution. This international stature makes it much easier for CHEO to attract the best doctors, nurses, social workers, and other personnel, all drawn by the high quality of work being done at the Hospital.

"Hospital supporters have played an important role in all of this," says MacKenzie, "because they made the grants and the building possible." In addition to the team of 20 researchers, many people associated with CHEO feel justifiably proud to have played their small part but important part in this discovery.

## **Explanation of how money is allocated to the hospital**

The Children's Hospital Foundation is an independently incorporated organization established to raise money for the Children's Hospital of Eastern Ontario. The money raised by the Foundation is transferred to the Hospital as a result of a special funding agreement between the two organizations.

The Hospital has identified major areas which require funding. Although these areas change depending on the needs, in 1994 the areas included:

- the Research Building,
- research projects and Fellowships,
- capital equipment,
- children's programs,
- education, and
- family emergency needs.

In the case of new or replacement equipment purchases, the Hospital and the Foundation and the Foundation Board collaborate to distribute the funds where the needs are greatest.

The Resource Allocation Committee of the Medical Advisory Committee reviews all of the submissions in an attempt to prioritize the items.

The prioritization takes the form of triage: the "Now" category, the "1A" category, and the "Other" category.

Occasionally, the Hospital identifies a special project or piece of equipment which would require additional funding. In this case, the Chairman of the Hospital's Board of Trustees and the President of the Hospital may ask to make a presentation to the Foundation Board of Directors for special funding.

Foundation funds are never included in the Hospital's operating budget. The funds provide for extras above and beyond the budget required for day-to-day operations.

## Dollars Well Spent

Funds donated to the Hospital help with replacing old equipment and buying state-of-the-art equipment. The following items represent just some of the purchases made in 1994.

<b>Area/Clinic</b>	<b>Equipment</b>	<b>Price</b>
4 North	Escort 100-ECG Monitor	\$14,394
Anaesthesia	Monitor	\$5,990
Bacteriology	Freezer Chest	\$11,726
Com. Disorders	Hearing Aid Test System	\$13,886
Cytogenetics	Fluor. Imaging Microscope	\$19,234
Dental	Oral X-Ray GX - 770	\$4,022
Housekeeping	Compaction Station	\$26,333
OR	Quantum Lights	\$25,285
Ophthalmology	Analyzer	\$8,550
Paediatrics	Metabolic Msr. Chart	\$60,000
Respiratory	Bear Cub Ventilator	\$72,000
Speech	Integrated Zoom Camera	\$4,417
Surgery	Zeiss Microscope System	\$14,024