

2009 Annual Report

CHEO
Foundation
Fondation



Joseph Beauchesne

GOING ABOVE & BEYOND

because kids count

As we look back at 2009 the CHEO Foundation has much to celebrate on behalf of every child and youth who relies on CHEO. This kind of success only happens when special people go above and beyond in their caring, their generosity and their humanity.

The past year was filled with examples of people going above and beyond for the kids and CHEO's BIG STEPS Campaign fits into this category. The campaign truly got rolling in 2009 and by year's end had raised \$12.7 million on the way to our goal of \$25 million in support of life-saving research at the CHEO Research Institute and much needed medical equipment. Pre-campaign planning and research indicated that \$25 million could be raised above and beyond what the Foundation already raises each year. This is a true testament to the commitment that our community feels for CHEO.

Another highlight of 2009 was the opening of the Garry Cardiff Wing at CHEO – an additional 84,400 square feet of space which medical professionals use to care for emergency patients, children, youth and babies in intensive care, cancer patients, and a host of other young patients with medical challenges. While the new wing gave us a bigger hospital, it is the health care professionals and their "above and beyond" attitude that makes the family centered care that CHEO is famous for, a reality. It is the little things that go on inside the walls at CHEO that make a difference in a child's stay. The nurse who stays after her shift is over to sit by a child's bed so mom can get some extra rest. The warm hug from a CHEO Child Life Specialist to let little ones know that the needle wasn't really that bad. The heart surgeon who takes a moment just before surgery, holds a crying mom's hand and tells her that her little baby is going to be just fine. These are just a few of the special CHEO moments that have been shared with us, each one more heartwarming than the last.

The support that allows us to annually report positive financial figures year after year, is the lifeblood of what happens here at CHEO. The doctors, nurses and staff provide the incredible care that makes you proud to have CHEO in your community, and your generosity not only illustrates that pride, but ensures that CHEO will stay strong in the future. It's a wonderful circle to be in.

Everyone at the CHEO Foundation and on the Foundation Board of Directors would like to thank the true stars of this story; the people who support CHEO, and the people who take that support and use it to do the important work of caring for our children. All of these people go above and beyond for one simple reason..... because kids count.



Frederick M. Bartlett
President and CEO
CHEO Foundation



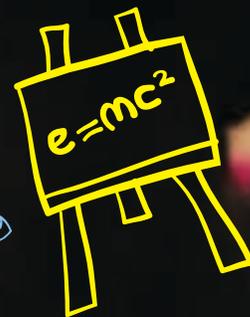
David Gélinas
Chair
CHEO Foundation Board of Directors

Aristote Niyiriko

CHEO is a proud member of



It truly is inspiring to the CHEO Foundation staff to know just how many residents of the National Capital Region and eastern Ontario have found a place in their hearts for CHEO and share the same passion we do to help our kids. On the first day of May every year we host our annual bike, walk and roll event in support of kids with cancer. When the new title sponsor CN came on board we quickly learned they shared that same drive and determination to have a successful event. The CN Cycle for CHEO event raised \$564,463 to help combat childhood cancer. Thank you to all participants and corporate sponsors.





ABOVE AND BEYOND TO PUT

It is often said that there is a first time for everything. While the CHEO team has been delivering quality care to children and families for over thirty six years, this past year was filled with first time experiences. These experiences remind us that every day is an opportunity to experience something new and make a difference in the life of a child.

While the physicians, nurses and staff at CHEO are no strangers to challenges and adversity, the delicate and changing needs of our fragile patients illustrate that we must always prepare and deliver, constantly adapting and moving forward. It's all part of our commitment to go above and beyond – because we care.

From the overwhelming sense of pride we felt as we unveiled CHEO's new critical care wing in the summer of 2009, to our sense of uncertainty as we redeployed hundreds of staff during the fall's H1N1 flu pandemic - the CHEO family leaned on each other, and relied on our dedication and resilience to ensure that our children's needs always come first.

Other firsts included welcoming the first child to our new state of the art intensive care unit while at the same time handling our highest ever single day volume of patients in the Emergency department. We also felt the ripple effect of our first full-blown flu pandemic and in all of these situations CHEO staff rose to the challenge and celebrated our success.

At CHEO, we never lose sight of the fact that our children come first. In 2009, more than 6,106 patients were admitted to CHEO while 58,030 children and youth visited CHEO's Emergency department, some 158,545 children and youth visited our outpatient or ambulatory care clinics and 4,973 patients had out-patient/day surgery. CHEO is home to 167 inpatient beds – 20 are in Neonatal Intensive Care, 10 in Pediatric Intensive Care, 31 are in Psychiatry and 106 on inpatient wards. CHEO has six patient service units, including 63 different outpatient or ambulatory care clinics.

Looking ahead, we know there will be more firsts; and we will be prepared for the challenges they may bring. The CHEO team continues to deliver excellence in pediatric health care with our family centered care approach and help from our supporting partners. CHEO's Research Institute, in association with the University of Ottawa is a world leader in research, dedicated to critical areas such as pediatric cancer, childhood obesity and mental health to name a few. CHEO is also home to the Provincial Centre for Excellence in Child and Youth Mental Health, the Ontario Newborn Screening Lab and more recently to the Better Outcomes Registry & Network Ontario (BORN). Together we have every reason to go above and beyond and continue putting children first.

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CHEO is a proud member of



T CHILDREN FIRST

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Rita Beauchesne



THE CHILDREN'S HOSPITAL



FOUNDATION

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Our mission: To further the physical, mental and social well-being of children and their families in eastern Ontario and western Quebec by raising, managing and disbursing funds.

CHEO has been described by many as a feeling - not just a building. What matters to parents at CHEO is that no child is a number. Doctors and nurses know the child's favourite food, their pet's name, their best and worst subject at school. What also matters is that the whole family is part of a treatment plan, not just the child. These are just some examples of how CHEO stands out above the rest. It's for these reasons that many community members feel compelled to support our hospital. Some of our donors have been on the receiving end of care here at CHEO and that has spurred a commitment. For others it may be because their co-worker or neighbor's child has needed CHEO's services. Regardless of the reason to donate, one thing we do know is that our community cares.

The financial commitment to our hospital comes in many forms: from a child raising money at a birthday party for CHEO; or a parent who is honoring the life of a child who has passed away; to backyard bbqs; lemonade stands; sports tournaments and other generous gifts from individuals and corporations. Our promise is to take every penny donated and create the most outstanding children's hospital possible. CHEO is a world renowned institution with world class health care workers and researchers who must be provided with the most up to date tools in order to care for the most vulnerable among us. That is why your generosity is so critical.

We are so grateful that every year the community support never wavers. Our CHEO Telethon surpassed the \$6 million mark last year - an outstanding number that yet again reaffirms that our community wants to support CHEO and the children who rely on it being here in our own backyards. The community members are encouraging the amazing feeling that exists here and we will remain true to our promise.

Thanks to this support we can provide funding in the following areas:

Research start up grants

Equipment

Staff education

Family emergency needs

Enhancements to the pediatric nature of CHEO

The Hospital and the Foundation collaborate to distribute funds where the needs are greatest.

The Foundation commits approximately \$1.5 million per year to the CHEO Research Institute for distribution to researchers starting new projects, funding of existing projects, and the administration of the Institute. Being a part of a teaching hospital means that CHEO's patients have access to new discoveries. People are more aware of the importance of research and how it fits into the bigger picture of child health and positive outcomes.

Once again, everyone at the Foundation would like to thank our incredibly generous supporters. You continue to inspire us and we are grateful that you remain dedicated to the children and youth of our region and beyond.

BIG STEPS MAKES GREAT STEPS

While CHEO engages in numerous grassroots fundraising activities throughout the year, the BIG STEPS campaign is something quite different. This unprecedented initiative will provide CHEO with the financial resources to take huge steps forward in essential lifesaving research and the very latest in equipment.

Former CHEO patient, Charles Ofori-Attah is the Chair of this \$25 million fundraising campaign that will allow CHEO to have a significant impact on the lives of children in this region – and beyond. The campaign is running smoothly and gaining momentum each day.

Charles and his dedicated team of volunteers have formed a task force who have been donating their time and efforts leading up to the BIG STEPS campaign. These CHEO ambassadors have set the pace for our campaign, working individually, and as a team to achieve success!

In addition to our outstanding task force, we are very fortunate to receive support from so many community minded individuals and organizations in this wonderful region of ours. Costco Wholesale, a leader in charitable giving raised \$3.8 million for the BIG STEPS campaign in 2009. Costco's continued support for the children and youth at CHEO is a team effort that spans the entire organization and rallies staff and suppliers on all levels to achieve a common goal – improving the lives of children!

As we turn our attention to the year ahead, we are focused on the impact that the BIG STEPS campaign can have on children in our community.



Charles Ofori-Attah
Chair, BIG STEPS Campaign

Just 50 years ago childhood leukemia had a shockingly low survival rate – just 20 per cent. Today, thanks to research, the survival rate is 80 per cent.

RIDES IN 2009!

survive



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Logan Deighton

The 2009 Dream of a Lifetime Lottery was a huge success. Thanks to our corporate sponsors we were able to provide an exciting line up of prizes and the community proved we got it right with the fastest sell out in lottery history!! Even though thousands of ticket buyers won amazing prizes, the real winners were the kids at CHED. Support of this lottery helps make it possible for CHED to continue to be a world class pediatric institution and for that we can't say thank you enough.



I  Molly Penny 

Noah Vander Wielen

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... (Great Strides continued)

This is exactly the impact that investing in research can have on the lives of children and precisely the reason why CHEO launched a \$25 million fundraising campaign for research and state-of-the-art equipment which are the key investment priorities.

Strategic investments mean a quantum leap in research and advancement in technology and equipment such as:

- Advancement in cancer treatment;
- Supporting clinical research;
- Combating childhood obesity;
- Supporting kids with mental health challenges; and
- Providing the latest in treatment with the best equipment.

The BIG STEPS campaign has focused priorities, which are to raise money to find a less-toxic cure for cancer, combat childhood obesity, support kids with mental health issues, provide the very best in treatment with the best in equipment, all the while supporting clinical research.

It sounds simple but there is nothing simple about finding cures and keeping ahead of the curve when treating children. The CHEO Foundation and a strong team of community members are dedicated to ensuring that this indeed happens.

- Brain cancer in children has a low survival rate. This survival rate has not improved in the last 30 years; the CHEO team is focused on curing brain cancer.
- The CHEO Research Institute team has formulated a "cell suicide" treatment for cancer that is far less toxic than chemotherapy.
- CHEO is the only hospital in Canada with a dedicated research team combating childhood obesity.
- An estimated 15% of Canadian children and youth live with a mental health issue – yet only 6% receive treatment.
- Strong clinical research at CHEO means that the CHEO kids and families are first to benefit from leading edge treatments.
- CHEO staff ensures we have the necessary equipment here at our hospital so fewer patients have to travel out of town for treatment.

STATEMENT OF MANAGEMENT'S RESP FOR FINANCIAL STATEMENTS



Graham Miller

RESPONSIBILITY

The accompanying financial statements of the Children's Hospital of Eastern Ontario Foundation are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. In 2007, the CHEO Foundation adopted the provisions of Section 3855 – Financial Instruments – of the accounting handbook issued by the Canadian Institute of Chartered Accountants.

The Foundation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, accurate, and complete, in all material respects, and that the Foundation's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance Committee, whose members are appointed by the Board.

The Finance Committee meets with management and the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. The Finance Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the members in the Annual Report.



Frederick M. Bartlett
President and CEO



Dan Holland
Vice President,
Finance

BOARD OF DIRECTORS

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Carol Devenny
Gary Dunne
David Gélinas
Chantal Tourigny
Michelle Valberg
Robert Wener

Board Members

Christopher Ashwood
John Bergeron
Louis Desjardins
Carol Devenny
Gary Dunne
David Gélinas

Maureen Graham
Barbara Hanna
Bruce Hartley
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Roy MacLean
Arlie Mierins
Geoffrey O'Brian
Deneen Perrin
Chantal Tourigny
Michelle Valberg
Louise Wendling
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John Witherspoon

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Michel Bilodeau
David Egan
Christopher Lawton
Dr. Alex MacKenzie
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David Cork
Ian Hendry
Robert E. Houston
Fred Martin
Dr. Stanley Mercer
Mervin Mirsky
Suzanne Pinel
Elizabeth Roscoe
Peter Rowan-Legg
Robert Thomas
Barry Turner

Children's Hospital of Eastern Ontario Foundation

Incorporated under the laws of Ontario

BALANCE SHEET

As at December 31

	General Fund \$	Restricted Fund \$	Endowment Fund \$	Total 2009 \$	Total 2008 \$
ASSETS					
Current					
Cash and cash equivalents	6,100,311	—	—	6,100,311	6,146,088
Short-term investments	1,788,046	1,969,062	—	3,757,108	869,048
Interest and other receivables	326,351	—	—	326,351	437,407
Prepays	218,718	—	—	218,718	277,166
Total current assets	8,433,426	1,969,062	—	10,402,488	7,729,709
Long-term investments	2,866,305	6,443,323	28,007,229	37,316,857	31,460,452
Net property and equipment	31,949	—	—	31,949	56,364
Other assets	64,464	—	—	64,464	52,727
Total assets	11,396,144	8,412,385	28,007,229	47,815,758	39,299,252
LIABILITIES AND FUND BALANCES					
Current					
Accounts payable and accrued charges	1,176,003	—	—	1,176,003	802,747
Deferred revenue	1,401,392	—	—	1,401,392	2,062,064
Total current liabilities	2,577,395	—	—	2,577,395	2,864,811
Fund balances					
Donor restricted	—	8,412,385	7,106,202	15,518,587	12,385,524
Internally restricted	8,786,800	—	19,012,289	27,799,089	16,152,523
Unrestricted	—	—	1,888,738	1,888,738	7,840,030
Invested in property and equipment	31,949	—	—	31,949	56,364
Total fund balances	8,818,749	8,412,385	28,007,229	45,238,363	36,434,441
	11,396,144	8,412,385	28,007,229	47,815,758	39,299,252

On behalf of the Board:

Director

David Gelins

Director

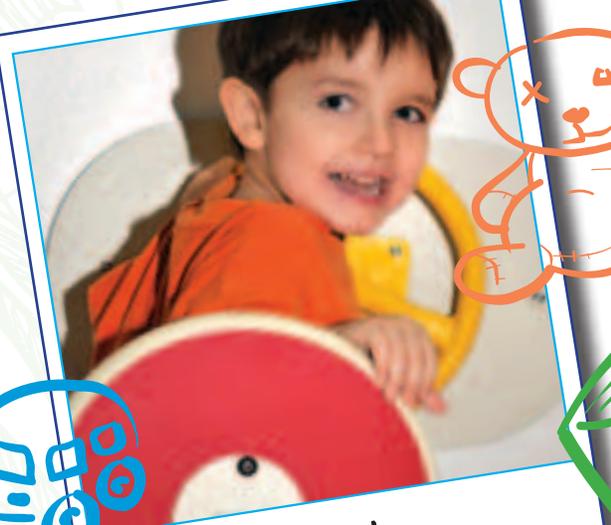
Carl Jeremy

Children's Hospital of Eastern Ontario Foundation

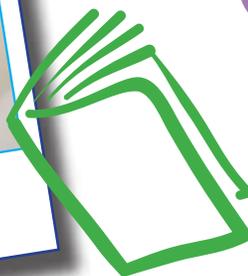
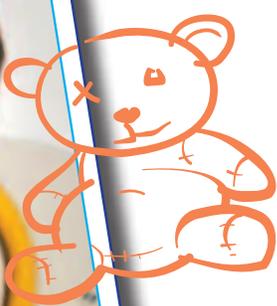
STATEMENT OF OPERATIONS

As at December 31

	General Fund \$	Restricted Fund \$	Endowment Fund \$	Total 2009 \$	Total 2008 \$
REVENUE					
Lotteries	7,989,901	—	—	7,989,901	7,430,515
Fundraising	6,737,396	1,256,817	—	7,994,213	7,939,971
Investment income	1,171,360	—	—	1,171,360	3,019,485
Bequests	1,107,408	—	443,897	1,551,305	1,304,049
Direct mail	260,734	—	—	260,734	313,606
Capital campaign	—	2,149,129	—	2,149,129	1,580,746
Miscellaneous revenue	160,028	—	—	160,028	241,212
	17,426,827	3,405,946	443,897	21,276,670	21,829,584
EXPENSES					
Direct fundraising expenses	6,477,584	429,461	—	6,907,045	6,889,426
Revenue, net of direct fundraising expenses	10,949,243	2,976,485	443,897	14,369,625	14,940,158
INDIRECT EXPENSES					
Other fundraising expense	1,437,986	198,251	—	1,636,237	1,498,924
Administrative expense	801,839	—	—	801,839	814,555
Investment losses	145,917	—	—	145,917	170,728
Impairment loss on equity investments	—	—	—	—	4,265,977
	2,385,742	198,251	—	2,583,993	6,750,184
Excess of revenue over expense before distributions	8,563,501	2,778,234	443,897	11,785,632	8,189,974



Austin Parks



Miley Parks

Children's Hospital of Eastern Ontario Foundation

STATEMENT OF CHANGES IN FUND BALANCES

As at December 31

	General Fund \$	Restricted Fund \$	Endowment Fund \$	Total 2009 \$	Total 2008 \$
Balance, beginning of year	6,270,317	6,631,894	23,532,230	36,434,441	45,911,251
Excess of revenue over expenses	8,563,501	2,778,234	443,897	11,785,632	8,189,974
Distributions to Children's Hospital of Eastern Ontario and outside agencies:					
Capital and programs	(188,687)	(7,188,242)	—	(7,376,929)	(12,691,663)
Contribution of services	(30,913)	—	—	(30,913)	(31,123)
Net change in fund balances for the year	8,343,901	(4,410,008)	443,897	4,377,790	(4,532,812)
Interfund transfers	(6,658,298)	5,367,429	1,290,869	—	—
Net unrealized gain (loss) on investments	862,829	823,070	2,740,233	4,426,132	(4,943,998)
Balance, end of year	8,818,749	8,412,385	28,007,229	45,238,363	36,434,441

Children's Hospital of Eastern Ontario Foundation

STATEMENT OF CASH FLOWS

As at December 31

	2009 \$	2008 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses before distributions	11,785,632	8,189,974
Add (deduct) items not affecting cash:		
Amortization	24,415	26,072
Loss (gain) on disposal of investments	145,917	(1,595,995)
Impairment loss on investments		4,265,977
Net change in non-cash working capital balances related to operations	(129,649)	175,111
Cash provided by operating activities	11,826,315	11,061,139
FINANCING AND INVESTING ACTIVITIES		
Sale (purchase) of investments, net	(4,464,250)	4,790,680
Additions to fixed assets	—	(2,257)
Distributions	(7,407,842)	(12,722,786)
Cash used in financing and investing activities	(11,872,092)	(7,934,363)
Net increase in cash during the year	45,777	3,126,776
Cash and cash equivalents, beginning of year	6,146,088	3,019,312
Cash and cash equivalents, end of year	6,100,311	6,146,088

It was a very exciting time when the 2009 CHEO Telethon on CTV broke the \$6 million mark for the first time!!! There were tears of joy from all in attendance when the grand total of \$6,175,843 flashed across the big screen. During the 24 hour broadcast we gave you a glimpse into the lives of our CHEO families. To those families we want to express our deepest gratitude for opening up your hearts and letting us all in. To our caring community — thank you for taking action and making your pledge to honour the thousands of children and youth who need a wonderful place that can be their second home when the need arises.

DONOR BILL OF RIGHTS

To assure that our donors and prospective donors can have full confidence in the CHEO Foundation and the Children's Hospital of Eastern Ontario, we declare that all donors have the following rights:

1. To be informed of the CHEO Foundation's mission, of the way we intend to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of the CHEO Foundation's governing board, and to expect the board to exercise prudent judgement in its stewardship responsibilities.
3. To have access to the CHEO Foundation's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the CHEO Foundation, or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Developed by:
American Association of Fund Raising Counsel (AAFRC)
Association of Health Care Philanthropy (AHP) Council for Advancements and Support of Education (CASE)
National Society of Fund Raising Executives (NSFRE)



Thank you

Michelle Valberg generously donates her time and materials to create beautiful pictures of CHEO children for use in the Foundation's Annual Report and fundraising materials. For more information about Michelle's photography visit her web site: www.valbergimaging.com.



Last year Astral Media and Y101 continued their radiothon tradition in support of CHEO. Virgin and Star 96 presented Astral Media's National Day of Caring for Kids and raised \$212,395 followed by Y101's Country Cares Challenge for CHEO bringing in \$121,083. Even though CHEO's kids are dealing with treatments they feel compelled to tell their story in hopes of letting Ottawa's radio listeners know just how CHEO has helped them. These totals tell us that Ottawa is listening and for that we are very grateful. Thank you to those families who shared their experiences and to all radio station staff who showed such compassion while communicating these heartfelt stories.