



# Yarmouth Hospital Foundation (YHF)

<b>POLICY:</b> <b>Fundraising</b>	<b>NUMBER:</b> <b>C12B</b>	
<b>SUBJECT:</b> <b>Gift Acceptance Policy</b>		
<b>DRAFT:</b> <b>January 28, 2014</b>	<b>REVISED / REAFFIRMED:</b>	<b>BOARD APPROVED:</b> <b>June 13, 2023</b>

## Introduction

- The mission of YHF is *to support and enhance our hospital as a community and regional centre of excellence and healthcare.*
- YHF welcomes donations to fulfil its mission.

## Purpose

- Ensure informed decisions on acceptance of gifts and provide receipts in accordance with requirements of the *Income Tax Act*
- Ensure efficient administrative, legal, accounting practices and procedures
- Enable accurate reporting of gifts to YHF
- Ensure consistent relations with donors

## Policy for Gift Acceptance

- YHF upholds high standards of ethical conduct.
- YHF will not accept gifts, enter relations or accept external support that could compromise its public image, reputation, or commitment to its mission and values.
- YHF Board may elect to accept or decline any gift.
- YHF reserves the right to decline a gift if it:
  - a) does not align with YHF objectives
  - b) exposes YHF to potential liability or unacceptable risk
  - c) includes unacceptable conditions or restrictions on the gift by the donor
  - d) will be difficult to administer
  - e) may have come from illegal activities
  - f) is precedent setting or involves sensitive issues
  - g) could improperly benefit any individual, company or organization
  - h) does not comply with the Canadian *Income Tax Act*, Canada Revenue Agency guidelines or any other applicable law
  - i) could compromise YHF public image, reputation, or commitment to its mission and values.
- YHF does not provide legal, accounting, tax, or financial advice to donors with respect to gifts. Donors are encouraged to seek independent advice from professionals and are responsible for costs incurred.
- Where necessary, donors will be requested to provide YHF with an acknowledgement that:
  - a) independent professional advice has been obtained or waived
  - b) YHF is released from liability that may arise in relation to the making of the gift

## **Gift Eligibility**

- The following types of gifts are deemed eligible for acceptance by YHF:
  - a) cash and cash equivalents
  - b) gifts-in-kind
  - c) real property – YHF will consider title, environmental issues, zoning restrictions and marketability of the property. YHF may request an appraisal of the property.
  - d) life insurance – YHF will consider whether it is the owner or beneficiary of the policy, whether the gift is irrevocable, and obligations to pay the premium should the donor be unable to make payments. YHF may require the donor to have an actuarial evaluation.
  - e) annuities – YHF will consider contribution amount, administrative costs and responsibilities relative to value.
  - f) residual interest – YHF will consider taxes, age of donor and administrative costs and responsibilities relative to value.
  - g) Securities (public and privately held charitable stock options) – YHF will consider equity of the shares, the exchange in which the shares are traded, and options associated with the shares. YHF reserves the right to liquidate securities received immediately upon the transfer.
  - h) charitable trusts
  - i) bequests

## **Restricted and Unrestricted Gifts**

- Donors may stipulate restrictions on a gift or designate it for a specific purpose(s). YHF will review restrictions to ensure ability to comply and clarify duties in fulfilling the restrictions. The YHF Board may request terms of the gift be revised, be subject to a power to vary, or be declined.
- Unrestricted gifts shall be used at the discretion of YHF as approved for area of greatest need.

## **Annual Fund, Endowment Fund and Future Fund**

- The YHF Board has established an Annual Fund, an Endowment Fund and a Future / Unrestricted Fund.
- Funds directed to the Annual Fund are intended to be used by YHF during the current year, typically raised through a specific event or appeal.
- Funds directed to the Endowment Fund have limitations placed on use of the principal, either by the Donor or by YHF.
- Funds held in the Endowment Fund are invested and only income and/or interest earned can be used during a current year.
- YHF may transfer unrestricted funds to the Endowment Fund.
- Disbursements from the Endowment Fund shall be determined by YHF as required.
- If a donor makes a gift greater than \$50,000 to the Endowment Fund, YHF may permit those funds to be in the name of an individual or individuals. YHF shall maintain records to ensure the funds are segregated and/or named as a portion of the Endowment Fund.
- YHF may invest the Endowment Fund the Future / Unrestricted Fund together with accounting records identify the distribution.
- The Future /Unrestricted Fund shall be held until required by YHF. Typically, contributions are made during a campaign or specific fundraising event.
- YHF may transfer unrestricted funds to the Future / Unrestricted Fund.

**Amendments to policy**

<b>Board approved</b>	<b>Changes</b>	<b>Motion</b>
June 13, 2023	<ul style="list-style-type: none"><li>• Minor changes on page 2 – change “unrestricted fund” to “Future/Unrestricted Fund”</li><li>• Added “area of” in the sentence “area of greatest need”. Bullet point no. 2 under <b>Restricted and Unrestricted Gifts</b></li></ul>	Motion by Allan Boudreau and 2nd by Kenneth Deveau to accept policies B22, C12 and C12B with additions/amendments. Vote was unanimous. Motion carried.