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		Reviewed:	VRHF Chair Policy and By-Law
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1. Purpose

Outline the process for the acceptance and disbursement of funds received by the Foundation which are designated to a particular fund, program or service.

2. Definitions

2.1 **Restricted Fund - monies designated by the donor or the Foundation for a specific purpose.** Restricted fund types include:

2.1.1 Established Fund - restricted funds as listed in Associated Documents.

2.1.2 Donor Specified fund – restricted funds that have been designated by the donor for a non-established fund of the Foundation.

2.1.3 Endowment Fund – a principal sum, permanently set aside and invested by the Foundation, with only the income used for charitable purposes (see **Endowment Funds Policy**). Endowment funds include:


2.1.3.1 Chaplaincy Services Endowment Fund - an endowment fund which provides an annual grant from its investment income to support Chaplaincy Services at Valley Regional Hospital. (see **Chaplaincy Services Endowment Fund Policy**)

2.1.3.2 Specified Endowment Fund - specified endowments are those directed by the donor for a special purpose. The fund may be established only by the Valley Regional Hospital Foundation in accordance with Nova Scotia Health Authority priorities. Specified endowments require a minimum of \$250,000 to establish.

2.1.3.3 Named Endowment Fund - named endowments are those named after an individual, couple, family, group, corporation or business. Named endowments require a minimum of \$500,000 to establish. The fund may or may not be restricted.

2.1.3.4 General Endowment Fund - an endowed fund is comprised of gifts of any size. The fund is neither Named nor Specified.


2.2 Unrestricted Fund – monies received by the Foundation that were not designated by the donor or the Foundation for a specific purpose (see **Unrestricted Funds Policy**).

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- 2.3 Designated Gift – donation made with restrictions on its use.
- 2.4 Undesignated Gift – donation made without restrictions on its use.
- 2.5 Deferred Gift – donation that takes effect in the future, typically upon the death of the donor.
- 2.6 Outright Gift – donation that takes effect immediately.
- 2.7 One-time Gift – single donation made in one transaction.
- 2.8 Pledge – promise of a future donation typically with payments made over a set period of time, such as monthly or annually, until the pledged amount of the donation is met.
- 2.9 Capital Construction - construction that augments the health care services of Valley Regional Hospital.
- 2.10 Capital Improvements - changes to the infrastructure of Valley Regional Hospital required to facilitate the installation of health care equipment or services.
- 2.11 Medical Equipment - new or replacement equipment used by physicians and/or allied health professionals to enhance diagnosis and/or treatment of patients.
- 2.12 Constituents – Kings and Annapolis County communities and additionally patients served by Valley Regional Hospital.
- 2.13 Health care support - training for educational opportunities that will enhance diagnosis and/or treatment of patients.
- 2.14 Administrative expenses – all expenses that are listed in the Unrestricted Funds Statement of Revenue and Expenditures of the Annual Budget.
- 2.15 Program – medical service delivered through Valley Regional Hospital for the benefit of constituents of Valley Regional Hospital.

3. Scope

- 3.1 The Foundation may accept donations that are restricted by the donor provided the donation supports improved health care, benefits patients, and the purpose is compliant with the Nova Scotia Health Authority’s mandate.
- 3.2 The Foundation may approve disbursement of restricted funds to Valley Regional Hospital catchment area for capital construction, capital improvements, health care

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equipment, health care support, or another purpose specified by the donor and compliant with the Nova Scotia Health Authority.

- 3.3 Disbursements will respect the wishes of the donor, subject to paragraph 4.6, and provided the purpose of the funds is approved by the Foundation and supported by the Nova Scotia Health Authority.
- 3.4 Where funds are raised by the Foundation from the public and the amount raised surpasses the specified goal, the remaining funds will be transferred to the Unrestricted Fund for other equipment or program priorities.

4. Procedure

- 4.1 A restricted donation is coded appropriately and tracked through the donor management system (Donor Perfect) and accounting system (Sage).
- 4.2 All requests for financial support from a restricted fund must be accompanied by a completed Access and Disbursal form provided by the Foundation office. The form must be signed by the appropriate department manager or representative and by the VRH Site Manager.
- 4.3 All disbursements will be administered by the Executive Director with approval of the Executive Committee if the amount requested is more than \$1,000. Request less than \$1,000 can be approved by the Executive Director.
- 4.4 All approved disbursements will be reported to the Executive Committee and the Board of Directors.
- 4.5 Accounting for each Restricted Fund will be segregated for administrative and management reporting purposes.
- 4.6 When a Restricted Fund is discontinued or becomes inactive, the fund will be reallocated to another fund as determined by the Executive Committee.

5. Responsibilities

6. Associated Documents

Executive Committee Terms of Reference
 Memorandum of Association of V.R.H.F.
 Donor Bill of Rights



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List of Foundation's Restricted Funds

7. Related Forms

Access and Disbursal Form

8. Related Policies

Unrestricted Funds
Endowment Funds
Allocation of Revenue

Reviewed:

VRHF Chair Policy and
By-Law

Approved:

VRHF Board Chair

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