

# GIFT POLICY

## **Mission Statement**

*To provide services which enable people to function throughout life at their optimal level of health, well-being, and independence, according to their personal beliefs*

## **Vision Statement**

*To be the leading regional provider for the continuum of care through home health, hospice and community services*

## **I. INTRODUCTION:**

For nearly one hundred years, Visiting Nurse Associations have been providing high quality, compassionate care to residents throughout southwestern New Hampshire. As the successor organization to these local VNA's, Home Healthcare, Hospice and Community Services, Inc. (HCS) and its service delivery affiliate, VNA at HCS, address the needs of this region by instituting and supporting programs critical to the health and wellbeing of people of all ages, including some of the most vulnerable members of our society.

In addition to HCS' function as a quality health and hospice provider, HCS provides several critical community programs. Philanthropic support from private gifts, donations, memorials, and grants is essential for the general financial integrity and sustainability of HCS' homecare, hospice, prenatal care, child health, elderly nutrition, transportation, adult day care, government supported programs for which reimbursements are less than sufficient, and other activities such as Hospice support and bereavement groups.

The policies presented herein are designed to provide guidance to the HCS community and the general public to facilitate the gift-giving process. Gifts may be sought from individuals, corporations, foundations, groups, and federal, state, and local governments. However, they may be sought only for purposes and programs that already have appropriate board or management approval.

The authority to receive routine gifts (cash, checks, securities or grants that do not have any unusual restrictions) on behalf of HCS is delegated to the CEO, the CFO and the HCS Development Director. Any gifts that involve unusual restrictions (other than the simple restriction that the gift be used for a specific program or service) and/or potential liabilities, must be approved by the CEO and the current CFO. HCS reserves the right to not accept gifts that are too restrictive in purpose, or are inconsistent with the mission of HCS. The receipt of any gift exceeding \$50,000 (other than routine gifts) and certain unusual gifts such as real property, must be approved by the Executive Committee of the Board of Directors. Allocation of all gifts shall be determined by the CEO, except for gifts exceeding \$50,000. which will require approval by the Executive Committee of the Board of Directors.

It is recommended that the donor(s) seek outside counsel for the tax implications of any gift to HCS. HCS shall seek the advice of legal counsel in matters relating to the

## **GIFT POLICY**

acceptance of gifts when appropriate, as recommended by the Executive Committee of the Board of Directors, the CEO, CFO or the HCS Development office. HCS will complete IRS Documents as required and complete filings related to gifts if applicable.

### **II. OUTRIGHT GIFTS:**

Outright gifts are those placed at the immediate disposal of HCS and in which the donor retains no interest. They may be either unrestricted or restricted to certain programs or purposes, and the funds will be credited to the appropriate operational fund accounts. Outright gifts made to the HCS Board Restricted Fund without any express limitation placed upon them will be credited as unrestricted to the fund account. Outright gifts to the Board Restricted Fund which are restricted to the support of a particular program, project, or purpose – or which require satisfaction of some special contingency – will be monitored and allocated as agreed.

#### **Cash Gifts**

The most frequent method used to make a “cash” gift to HCS is a personal check. Actual cash can also be given. The recording date for the gift is generally the date on which HCS deposits the gift in its bank account. However, when a fine definition of timing is required, a gift is typically deemed to have been made at the moment a donor relinquishes control over the asset. If a gift is unrestricted, the HCS Fiscal Department and the Development Office will credit the funds to HCS general account. If the gift is restricted, it will be credited to the appropriate program or project account.

#### **Gifts of Securities**

Publicly traded securities (bonds and shares of stock or mutual funds) and government issues may be given to HCS. The value of the gift will be the mean of the highest and lowest selling prices quoted for the securities on the day of the gift transfer to HCS, as per IRS regulations. All such securities will be liquidated by the Fiscal Department as soon as practical under the circumstances, and any subsequent loss or gain when the security is sold by HCS will be recorded as an operating expense or income.

When securities are used to fund other gifts the policies outlined in the preceding paragraph will also apply.

#### **Real Property**

HCS may accept gifts of real estate, such as houses, condominiums, commercial properties, farmland, rental property, and undeveloped land, after a thorough review by legal counsel and a vote of approval by the Executive Committee of the Board of Directors. Donors of real property must provide a professionally prepared appraisal by a qualified licensed real estate appraiser and a fully completed real estate questionnaire or disclosure checklist. HCS will not accept any gifts of real property without a

## **GIFT POLICY**

determination by the Executive Committee of the Board of Directors that there are no liabilities associated with the property (e.g. toxic waste in structures or grounds). HCS may choose to request an inspection for the real estate and a title search to for assurance of a clear title by the donor. As required by Internal Revenue regulations, HCS will file a report of such gifts with the IRS if they are sold within two years of the gift date.

### **Tangible Personal Property**

HCS does not accept unsolicited gifts of medical supplies and equipment. In addition, HCS may accept gifts of tangible personal property, such as works of art, jewelry, antiques, automobiles, manuscripts, books, and coin, stamp or other collections. Such gifts may be accepted only after a thorough review by the HCS Development Office, the CEO and the CFO indicates the property is readily marketable or may be used by HCS in a manner consistent with one of the purposes for which it operates. Even when HCS receives a gift that is to be put to use rather than immediately sold, donors should be advised that HCS reserves the right to sell or otherwise dispose of the personal property in question if such action is financially advisable or necessary.

### **III. PLANNED GIFTS:**

#### **Bequests in a Will or Distribution from Revocable or Irrevocable Trusts.**

Both restricted and unrestricted bequests will be accepted by HCS. Similarly, HCS will accept restricted or unrestricted distributions when a donor has an individual revocable or irrevocable trust which names HCS as a beneficiary at time of death. HCS will accept designation as beneficiary of a Charitable Remainder Trust or a Charitable Lead Trust only upon approval.

The HCS Development staff will maintain a confidential record of information about known provisions in wills and trusts for bequests and other testamentary provisions.

#### **Gifts of Life Insurance and Retirement Benefits**

Life Insurance can be the medium for giving funds to HCS. With it, the donor can make a substantial gift for a relatively modest outlay. For instance, a donor may irrevocably assign to HCS an existing life insurance policy that is no longer needed for family protection, making HCS both the policy owner and the beneficiary. If the donor does not choose to continue paying the premiums, HCS may elect to:

- Continue paying the premiums and receive the full-face value of the policy at the donor's death.
- Convert the policy to paid-up insurance in a reduced amount with no further payments.
- Surrender the policy for its present cash value.

## **GIFT POLICY**

If the donor does choose to contribute premium payments, the amount of the premium payment will be considered as a gift in the year in which the payment was made.

HCS will accept funds from defined retirement plans, such as IRA's, 403(b)s, 401(k)s.

HCS welcomes the opportunity to discuss such gifts in advance to determine the most favorable course with regard to the donor's intentions and HCS' needs.

### **Use of Planned Gift Funds**

**A donor may make an unrestricted planned gift to our Board Restricted Funds or a restricted planned gift for a specific program or purpose. In the event that a program or purpose to which a planned gift no longer exists at HCS, the funds will be designated to our Board Restricted Fund.**

**HCS' Board Restricted Funds follows the laws defined under the "Uniform Prudent Management of Institutional Funds Act "UPMIFA", which complies with New Hampshire's RSA Chapter 292-B.**

If a donor specifically designates his or her planned gift to be restricted, when the funds are received, they will be immediately credited to a restricted fund and invested accordingly. HCS encourages donors who wish to contribute to our Board Restricted Fund to do so without restrictions, since this will allow HCS to use the Board Restricted Fund proceeds where they are most needed during changing times and circumstances in the years ahead. We fully understand, however, that some donors may want to support a certain program or address a specific need, and we will faithfully fulfill such wishes.

It is our belief that planned gifts by their nature, are special and usually substantive, and should be of lasting impact on HCS' ability to provide care and services to our community.

### **IV. CONFIDENTIALITY**

All information concerning donors and prospective donors, including names and addresses, names of beneficiaries, amounts of gifts, and value of property given, will be kept in strict confidence by HCS and its authorized personnel, except when a donor

## GIFT POLICY

grants permission to use selected information for purposes of referral, testimonial or example.

### **V. GUIDELINES AND PROCEDURES BIENNIAL REVIEW**

The guidelines and procedures contained in these gift policies shall be reviewed biennially by the HCS Development Committee. Recommendations for amendments shall be presented to the HCS Board of Directors for their review and approval.

Approved by the HCS Board of Directors