

**Veterans Services Foundation Board of Trustees**  
**Resource Workforce Center**  
**121 Cedar Fork Road, Richmond, VA**  
**Meeting Minutes**  
**August 3, 2016**

A meeting of the Veterans Services Foundation (VSF) Board of Trustees was held on Wednesday, August 3, 2016 at the Resource Workforce Center, 121 Cedar Fork Road, Richmond.

**Trustees Present**

- Brad Antle
- Jim Boyd
- Nicole Carry
- Jim Cuthbertson (*ex officio*, voting, representing the Joint Leadership Council (JLC) of Veterans Service Organizations)
- Frank Driscoll
- Bill Lechler
- John Lesinski
- John Newby (*ex officio*, voting, Department of Veterans Services (DVS) Commissioner)
- Al Pianalto
- Rich Schollmann
- Pat Webb
- Matice Wright

**Trustees Absent**

- Frank Finelli
- Jack Lanier
- Kathleen Levingston
- Tom Mulrine
- Don Kaiserman (*ex officio*, voting, Board of Veterans Services (BVS) Vice Chair)
- Meade Spotts
- Randy West

**VSF Staff Present**

- Tammy Davidson (*ex officio*, non-voting, VSF Treasurer)
- Jack Hilgers (*ex officio*, non-voting, VSF Executive Director)

**Commonwealth of Virginia Officials Present**

- Jaime Areizaga-Soto, Deputy Secretary of Veterans and Defense Affairs
- Karla Boughey, DVS
- Leslie J. Frazier, Policy Director, Secretary of Veterans and Defense Affairs
- Kim Gain, DVS
- Glendalynn Glover, DVS
- Matt Leslie, DVS
- Brian Pickeral, DVS
- Andrew Schwartz, DVS

## **Visitors Present**

- None present

## **Materials Distributed and Attached**

- Meeting Agenda (*Attachment 1*)
- BVS Chair Report (*Attachment 2*)
- JLC Chair Report (*Attachment 3*)
- VSF Income (*Attachment 4*)
- VSF Expenses (*Attachment 5*)
- FY 16-17 Events (*Attachment 6*)
- Performance Budgeting (*Attachment 7*)
- VSF Fund Restructuring (*Attachment 8*)
- VSF Strategy Plan 2017-2021 (*Attachment 9*)
- VSF Board Action Plan 2017-2021 (*Attachment 10*)
- VSF Trustees Bylaws (*Attachment 11*)
- VSF-DVS Joint Policy #1 (*Attachment 12*)
- VSF-DVS Joint Policy #2 (*Attachment 13*)
- VSF-DVS Joint Policy #3 (*Attachment 14*)
- VSF-DVS Joint Policy #4 (*Attachment 15*)
- VSF-DVS Joint Policy #10 (*Attachment 16*)
- VSF FY16 Goals and Objectives (*Attachment 17*)
- VSF FY17 Proposed Goals and Objectives (*Attachment 18*)
- Veterans Services Fund Final FY16 Report (*Attachment 19*)
- VSF FY18 Budget Proposal (*Attachment 20*)

## **Materials Available But Not Included**

- List of Documents
- VSF Committee and Board Meeting Minutes for May 4, 2016

## **Materials Distributed Separately**

- Virginia Veteran and Family Support (VVFS) Update
- Virginia Values Veterans (V3) Update

## **Opening and Pledge of Allegiance**

Chair Pat Webb welcomed everyone and called the meeting to order at 9:45 a.m. He led the group in reciting the Pledge of Allegiance.

## **Roll Call of Trustees and Quorum Determination**

With 8 of 19 trustees present, a quorum was not established. The Chair said that they would proceed with the Presentations until a quorum was reached.

## **PRESENTATIONS**

Chair Webb called for presentations.

### **VVFS Update**

Mr. Matt Leslie filled in for Mrs. Betty Ann Liddell, the interim Director of VVFS. Mr. Leslie is the Director of Housing Development and works with VVFS regarding Veteran Homelessness, Criminal Justice, data support and policy. He provided the Board members a breakdown of services provided by VVFS in FY16. (Presentation provided separately.) During FY16 a total of 6,700 services had been provided to 2,600 Veterans, which included 197 family members.

The complete data for cost per household is not currently available for FY16. In FY15 an average of about \$880 per family was spent, however, this year it is expected to be lower. One major contributing factor for cost reduction is the result of Dominion Virginia Power and Appalachian Power providing utility assistance to homeless veterans. Combined funding through their Foundations is \$2.5 million for five years. Mr. Brad Antle asked about the Electric Co-ops in the rural areas and Mr. Matt Leslie reported that both Power Companies also provide funding to the co-ops. It is the first program in the country to be funded by a power company that is veteran specific.

Mr. Al Pianalto shared that it appeared in Petersburg and Colonial Heights that there seems to be more Homeless and also noted that there was not a homeless hotline phone number on the DVS app.

Commissioner Newby responded that the homeless hotline phone number will be 211 which is currently being updated to include all veteran resources. As soon as the updates for 211 have been completed, it will be added to the DVS app. The Commissioner went on to further address Mr. Pianalto's question regarding an increase in homelessness in Virginia. The Commissioner had recently attended the Governor's Council on Homelessness lead by Secretary of Health, Dr. Bill Hazel. There continues to be a full court press to end veteran homelessness and with the success of the veteran program there is much hope that the broader population will benefit and learn from the program. Data from the past five years shows a 46% overall reduction and a 56% reduction in unsheltered veterans. From October 2014 until now, just fewer than 2,200 veterans have been housed.

Ms. Matice Wright asked how Virginia Veteran homelessness compares nationally or to surrounding states. Mr. Leslie reported that Virginia has the lowest rate per capita in the nation with eight out of every 10,000 veterans that become homeless. DC reports 146 per 10,000 veterans become homeless.

Mr. Pianalto asked about the possibility of having VSF fund toll reimbursement to VSOs – especially those traveling from the Eastern Shore. In the past there had been legislation introduced but not successful in trying to eliminate tolls for veterans traveling to medical appointments. Chair Webb added that he was working on trying to help in gas reimbursement for a long distance reoccurring medical transportation in his area. It is a situation that has become costly for the volunteers. Commissioner Newby said that currently there is no DVS program set up to address that issue; however, Mr. Leslie's office could plug them into other community resources or suggested calling the local benefits office. Mr. Jack Hilgers added that the Foundation could reimburse in certain situations but the challenge was setting up a structure, a process and accountability. The Commissioner would support exploring options but that it would take time. Chair Webb asked the Commissioner how the Board should proceed. The Commissioner suggested a working group and a possible pilot program with VSOs. Chair Webb added that he would discuss this with Mr. Pianalto and Ms. Frazier.

Chair Webb Thanked Mr. Leslie and asked Mr. Andrew Schwartz to provide the V3 update.

### **V3 - Virginia Values Veterans Update**

Mr. Schwartz, V3 Program Manager, briefed the Board members regarding the \$200,000 allocation approved for the V3 program. \$100,000 has been received from the Altria Grant and the additional \$100,000 is not currently available, but the funding is expected to be raised in the coming year.

Mr. Schwartz thanked the Board members for efforts in getting the word out about the V3 Program. The program continues to be successful and he pointed out that this year V3 engaged in a dedicated public relations effort by advertising on TV and radio through commercials and started advertising in Virginia Business Magazine. As a result, there has been a steady rise in Veterans hired. As of July 29, 2016 there had been a total of 18,103 Veterans hired through V3. In August of 2015 there were a total of 301 V3 businesses registered. In August of 2016 that amount has doubled to 618. There were 20 businesses added just last week.

Mr. Brad Antle asked what the stimulus was in reaching the 20 companies. Mr. Schwartz believes it is the Virginia Business story that ran in July that increased awareness.

Mr. Schwartz reported that the funding used from the first Altria Grant had been so successful that Altria agreed to fund another \$100,000 in FY17. The monies received in FY17 will be used to train and certify educational facilities which will allow additional pipeline recourses for veterans. The curriculum will be developed in the next few months and will be delivered to educational activities in February or March of next year.

Mr. Jim Culbertson asked about which educational facilities were involved. Mr. Schwartz explained that the V3 program was divided in four levels including two public universities, six community colleges, certificate of licensure institutions, and companies who provide on the job training or apprenticeships which are receiving funding under the Montgomery GI bill. There will be no duplications with community colleges regarding credential certification. The V3 Program is designed for educational faculty and staff to better understand veteran's cultural competency, which is much different than that of high school students.

The Dominion Resources/WestRock (former MeadWestVaco) Charity Classic on November 1-9 at the James River Golf Course at the County Club of Virginia all proceeds to benefit V3.

V3 and the Virginia Chamber of Commerce will partner to host the 2016 Workforce Conference with the focus on Veteran Workforce will be held on September 28<sup>th</sup> at the Richmond Convention Center.

Chair Webb thanked Mr. Schwartz for his informative briefing.

### **Quorum Determination**

With 12 of 19 trustees present, a quorum was established.

Chair Webb asked Mr. Hilgers to introduce the visitors. Mr. Hilgers said that the Trustees knew most of the non-board members from DVS and introduced Deputy Secretary of Veterans and Defense Affairs, Jaime Arizaga-Soto, Veterans along with Veterans and Defense Affairs Policy Director, Leslie Frazier, and then from DVS, Mr. Brian Pickral handling communications. He also welcomed former Trustee and current Development Committee Advisor, Frank Wickersham and his wife, Maggie. Additionally, former State Senator Walter Stosch was in attendance. Senator Stosch retired from the Senate in 2015 as President Pro-tempore of the Senate and Co-chair of the Senate Finance Committee. The Senator had expressed an interest in the Foundation.

Chair Webb said that they would proceed with the approval of the agenda.

### **Approval of Agenda**

The agenda (*Attachment 1*) was previously forwarded to the Foundation members electronically and was in the materials distributed. Chair Webb asked for a motion to approve the agenda as presented.

Mr. Antle **moved** to approve the agenda as presented and Mr. Frank Driscoll **seconded** the motion. There was no discussion and the motion **passed unanimously**.

### **Review and Approval of May 4, 2016 Meeting Minutes**

Chair Webb stated that the May 4, 2016 Development and Board meeting minutes were previously forwarded to the Foundation members electronically. Hard copies are available if anyone desired to see them. Chair Webb asked for a motion to approve the May 4, 2016 Board meeting minutes.

Mr. Antle **moved** to approve the minutes and Mr. Driscoll **seconded** the motion. There was no discussion and the motion **passed unanimously**.

## **REPORTS**

Chair Webb called for reports.

### **Department of Veterans Services**

Commissioner Newby asked to go first because he had someone to introduce that had to leave. He introduced Ms. Kim Gain who is in charge of the Henrico Benefits office that is located in the Resource Workforce Center. Ms. Gain gave a brief presentation on the Benefits office and its operation. She thanked the Board for giving her the opportunity to inform the Trustees of the need for such offices.

Chair Webb thanked Ms. Gain for her presentation and asked Commissioner Newby if he had a report. The Commissioner responded that he had no formal report and that discussed most of his report during the presentations by Mr. Leslie and Mr. Schwartz. The Commissioner also provided a brief update regarding the VVFS work group lead by Secretary Harvey and Secretary Hazel. The meetings are going well and the report will be out by November 14, 2016. He is hopeful that the two million dollars for VVFS will be released to start converting the Community Service Board members to DVS employees after the approved report is released. He added that the announcement for the Hampton Roads area Care Center should be made by the end of the month.

Chair Webb thanked Commissioner Newby for his report.

### **Board of Veterans Services (BVS) Report**

Chair Webb noted that Mr. Don Kaiserman was not in attendance but a BVS Report had been received and was in the Board members' material (Attachment 2).

### **Joint Leadership Council (JLC) of Veterans Service Organizations Report**

Mr. Cuthbertson representing JLC gave the JLC report in the absence of JLC Chair Harold Barton. (Attachment 3). The JLC has had one meeting since the last meeting of the Foundation. The meeting was held on July 13, 2016. Mr. Cuthbertson said that two new members were welcomed. They represent the Fifth Baptist Veterans Ministry and the Iraq and Afghanistan Veterans of America (IAVA). These appointments increase the JLC to twenty-five members.

At the meeting they received a presentation on the Virginia World War I and World War II Commemoration Commission that is chaired by Delegate Kirk Cox. Additionally, seven potential 2017 Legislative Initiatives were presented and the JLC agreed to begin work on six of them. These proposed initiatives will be developed into formatted documents for review and approval at the JLC's meeting on October 12, 2016, which is the next JLC meeting. Lastly the JLC confirmed the report of its Nomination Committee and elected Mr. Bart Barton, Chariman, and Ms. Marie Juliano, Vice Chairman, for the next year.

Mr. Cuthbertson said that this would be his last VSF meeting as he has been elected as the Chair of the State Board for Community Colleges of the Virginia Community College System. The JLC would be represented by Mr. Bill Ashton in the future.

Chair Webb thanked Mr. Cuthbertson for the brief report and his service on the JLC and VSF.

### **DVS Director of Development**

Ms. Karla Williams Boughey reported that a database decision for VSF had been made and thanked Ms. Tammy Davidson and Chair Webb for their help in the process. With the increased number of donations, this will provide the Foundation and DVS Finance Services with a more efficient process of recording, tracking, and receipting/thanking donors for their contributions.

A copy of the July Virginia Business magazine was give to each member. With a cost of \$4,500 to V3 the investment had generated a great deal of interest and she noted the success that Mr. Schwartz had mentioned during his earlier presentation.

The new Virginia Veterans Resource Guide is now available on line through the DVS website. A printed copy will be available to all members at the next Board meeting.

The Virginia Veteran ID Discount will roll out before Thanksgiving. This is a new initiative that partners with Virginia businesses offering discounts with the veteran community through the DVS website.

She reminded attendees to sign up to receive DVS communications on the DVS website. It is a good way to stay in touch with everything that is going on within the department.

Ms. Boughey asked if there were any questions. None were asked.

*Commissioner Newby departed at about 10:30 and designated Ms. Tammy Davidson as his representative.*

### **Foundation Executive Director**

Mr. Hilgers announced that income for VSF overall was up 13% and VVFS was up 23%. He provided reports on VSF income ([\*Attachment 4\*](#)), VSF expenses ([\*Attachment 5\*](#)), and FY16-17 events ([\*Attachment 6\*](#)).

Mr. Hilgers asked if there were any questions. None were posed.

### **Board Chair**

Chair Webb summarized what the Trustees had accomplished over the last six months in updating the VSF Strategic Plan and developing Performance Budgeting, VSF Fund Restructuring, a five year Strategy Plan for FY17 through FY21. These were now in their final form and it will be time to give them the Boards approval. To implement these initiatives, a VSF Action Plan will be required, which will be discussed later. He sincerely thanked the Board for their participation in this productive process.

Chair Webb said that it is time to appoint Committee Chairs and Vice Chairs for FY17. He recommended that the Trustees approve his recommendation that Mr. Frank Finelli be appointed Development Committee Chair with Mr. John Lesinski as Vice Chair. Further that Mr. Frank Driscoll stay on as Finance Committee Chair with Mr. Bill Lechler as Vice Chair. He said that the floor would be open for further nominations during New Business.

Chair Webb called for questions. None were presented.

Chair Webb asked Ms. Tammy Davidson to proceed with her report.

### **Veterans Services Fund Final FY16 Report**

Ms. Davidson said that a copy of the report was included in the Trustees packages and proceeded to cover the: Statement of Assets; Statement of Income, Expenses, and Changes in Fund Balances; and the Schedule of Receipts, Expenditures and Budget by Activity. See Attachment 19.

Ms. Davidson asked for questions. There were none.

### **Veterans Services Fund Proposed Allocation for FY18**

Mr. Hilgers covered the FY 18 proposed DVS budget allocations contained in Attachment 20.

Mr. Hilgers asked Ms. Davidson if she had anything to add. She said that she didn't. Mr. Hilgers called for questions. There were none.

## **UNFINISHED BUSINESS**

### **Performance Budgeting**

Chair Webb reviewed the requirements for Performance Budgeting (Attachment 7) and asked if there were any questions, suggestions or concerns and opened the floor for discussion.

Mr. Rich Schollmann asked if the Commissioner was on board and does DVS have the resources required to support the implementation of the initiative. Chair Webb agreed this was the most common concern and asked Mr. Hilgers to confirm the Commissioner's support. Mr. Hilgers reported that the issue had been brought to the Commissioner's attention including the benefits and problems associated with Performance Budgeting and resources required for its implementation; mainly a full-time person with a background in research and evaluation. The detailed requirements for the position had been reviewed by Chair Webb, Ms. Davidson, and Mr. Leslie who performs most of the research and evaluation for VVFS. The requirements here given to the Commissioner who appreciates the need. The position also should satisfy the requirements contained in the Joint Legislative Audit and Review Commission's report on DVS. The Commissioner is fully aware of the support required and that it will be needed. Mr. Hilgers asked Ms. Davidson if she had anything to add. She said that she did not.

Chair Webb asked if there were any additional questions or discussion. There was no further discussion.

### **VSF Fund Restructuring**

Chair Webb briefly reviewed the fund restructuring (Attachment 8) that had been initially suggested by Mr. Finelli and reviewed by the DVS finance staff. He said that there are no issues with the restructuring. Ms. Davidson confirmed the Chair's observation.

Mr. Antle commented that the restructuring provides more clarity to how the funds will be structured and shared that he thought this was a good start.

### **VSF Strategy Plan 2017-2021**

Chair Webb reviewed the five year Strategy Plan (Attachment 9) that had been developed and refined over the past six months. He noted that both the Commissioner and Secretary Harvey support it.

Chair Webb opened the floor for questions, concerns or discussion.

Mr. John Lesinski commented about the robust and proactive fundraising campaign and the management of the campaign. He asked if this addresses the personal issue. Chair Webb said yes and went on to explain the importance of adding staff that can take in and manage the funds. This will be a shared VSF-DVS responsibility.

### **VSF Board Action Plan**

Chair Webb asked members to refer to the handout regarding the Action Plan (*Attachment 10*) and Mr. Hilgers to review it. Mr. Hilgers said that several of the action items reflected those contained in the five year Strategy Plan and others had been added as required by the initiative the Board and DVS were pursuing. He covered each item and added that the proposed action items were not final and if the Board chooses to adopt the proposed plan they will be accepting a set of guidelines to move forward. The plan is a working document and additional requirements may be added, current ones adjusted according to needs, and considered completed when, in fact, they may not be. The Board's adoption of the plan does not lock it in concrete, but only approve a path that provides the steps needed to move forward.

Chair Webb asked if there were any concerns or questions. None were proposed.

Chair Webb called on Mr. Driscoll for the Finance Committee's perspective.

### **Finance Committee Chair**

Mr. Frank Driscoll said that most members of the Finance Committee had participated in the three Development Committee and two Board meetings covering the issues, including the Strategy Plan for 2017-2021. They also have reviewed the bylaws and joint policy changes. Those participating concur in their content.

Former State Senator Walter Stosch was introduced earlier in the meeting. He has expressed an interest in the Foundation and the Committee wishes to nominate Senator Stosch to be an advisor to the Finance Committee.

Chair Webb thanked Mr. Driscoll for his comments.

A lunch break was called at 11:30 AM.

Chair Webb asked everyone to be ready to resume the meeting at 11:50 AM.

*Mr. Jim Cuthbertson departed at 11:30. A quorum of 12 members, with Ms. Davidson representing Commissioner Newby, was maintained.*

Chair Webb reconvened the meeting and asked Mr. Frank Wickersham if he would address the Board members at this time.

Mr. Wickersham provided information on the World War II 75<sup>th</sup> Tribute to WWII Veterans on December 8, 2016 at the University of Richmond Robins Center. He asked the members to attend and to also help in getting the information out throughout the Commonwealth. The Virginia WWI and WWII Commemoration Commission is planning events throughout the year and additional information can be found on the Commission website at [www.VirginaWorldWarII.org](http://www.VirginaWorldWarII.org)

Mr. Wickersham also reminded the Board members about the Veterans in the Vineyard event scheduled for October 8, 2016 at the New Kent Winery and encouraged everyone to attend. Ms. Davidson said that she and her husband attended last year and had a wonderful time. Mr. Wickersham said that additional information on the event would be forwarded to those in attendance.

Chair Webb asked Mr. Hilgers to proceed with the Bylaws and joint policies review.

### **Trustees Bylaws Revisions**

Mr. Hilgers began by explaining that the Trustees Bylaws pertain to the Board and how it functions. The Joint Policies deal with VSF and DVS operations and pertain to both agencies. They both may contain Code of Virginia requirements and redundant information, but are complimentary and required for the efficient and effective functioning of both organizations. The Bylaws and Policy changes had been distributed electronically to all Board members at least ten days before today's meeting and all should have had an opportunity to review them before the meeting today.

The Bylaws (*Attachment 11*) revisions contain fundamental information on DVS-VSF relations, Trustees responsibilities, and the continuing need for a current strategic plan. These are issues that have been addressed verbally over the past years in VSF orientations and Board meetings, but not documented. The updates also clarify who the Board officers are and add a secretary.

The Administration section contains procedure for the selection and appointment of the VSF Executive Director and sets forth the duties of the Secretary and Treasurer. There are no changes to the section on Meetings and the Committees section provides clarifying information on committee composition, duties, and Freedom of Information Act (FOIA) requirements.

The Bonds, Accounts Records and Audits section has been eliminated because the Treasurer's requirements have been deleted from the Code of Virginia and the accounts, records, and audits subsections have been moved to section eight, Veterans Services Fund. Additionally, the Veterans Services Fund Section contains information on the fund structure and fund expenditures.

Mr. Hilgers concluded the changes to the Bylaws with a request for questions or concerns. There were none.

Chair Webb asked Mr. Hilgers to review all of the Joint Policy changes and asked the participants to hold their questions until after he was finished.

### **VSF-DVS Joint Policy #1 Revisions**

Mr. Hilgers said that the information in the Bylaws on VSF-DVS relations is repeated in Joint Policy #1 (*Attachment 12*) with some amplifying information added. Additionally, three sections from the Code of Virginia that relate to VSF, DVS, BVS, and JLC that were previously omitted were added.

### **VSF-DVS Joint Policy #2 Revisions**

Joint Policy #2 (*Attachment 13*) reiterates appropriate sections of the Trustees Bylaws and adds the Donors' Bill of Rights to VSF operational requirements.

### **VSF-DVS Joint Policy #3 Revisions**

Joint Policy #3 changes (*Attachment 14*) are limited to a few edits.

### **VSF-DVS Joint Policy #4 Revisions**

Joint Policy #4 changes (*Attachment 15*) are extensive and some additional changes will be required after DVS and VSF offices are moved to the Monroe Building in October of this year. They may not be ready for the November Board meeting. The changes clarify responsibilities for the receipt of donations and thank-you letter requirements, specify that cash contributions shall not be scanned on any copy machine, recognize VSF Fund restructuring, include Performance Budgeting, and clarify Fund use.

### **VSF-DVS Joint Policy #10 Revisions**

Joint Policy #10 (*Attachment 16*) changes "endowment" to "Non-General" to clarify terminology, include limiting the authority to spend Non-general funds as was recommended during the Board meeting, provide for

requests for additional allocation approval to be submitted through the Department of Planning and Budget as is currently required, and set forth the requirements for expending funds.

Mr. Hilgers called for questions or comments. None were presented.

Chair Webb asked Mr. Hilgers to proceed with VSF annual Goals and Objectives.

### **FY16 and FY17 Goals and Objectives**

Mr. Hilgers said that FY16 Goals and Objectives (*Attachment 17*) had been reviewed for their appropriateness. Two were considered dated and no longer necessary. The first was Development Committee Goal and Objective #1 regarding raising funds for VVFS. The \$150,000 obligation was required by the General Assembly in 2008 when VVFS was founded. Revenue since 2010 has far exceeded that requirement, which currently is set for FY17 at \$300,000. However, the second sentence in the Goal Objective pertaining to fundraising continues to be pertinent and should be included in Development Committee Objective under the second Goal. This was done in the VSF FY17 Goals and Objectives.

The second Goal and Objective which is considered dated is the last one under the Finance Committee. It pertains to the requirement to resolve multiyear funding accumulation; basically having more than three years of reserve funds on hand. It targeted VVFS and particularly the Virginia Veterans Care Center (VVCC) in Roanoke. The first because VVFS was accumulating funds at a rate where it would surpass the three year accumulation mark if it continued increasing revenue without spending it. However, in FY16 VVFS expended 94% of its budget allocation through the use of CSBs providing direct service support with VVFS funds. This is expected to continue. VVCC by 2014 had accumulated five times the maximum reserve amount authorized. The Center initiated a short range plan to acquire much needed equipment for residents' and construct facilities for residents' rehabilitation and recreation. By the end of FY16, VVCC had reduced its reserve funds to the three year requirement. This Goal and Objective can be initiated again if required.

Mr. Hilgers said that the proposed FY17 Goals and Objectives (*Attachment 18*) did not include the two aforementioned items and included the applicable sentence in the Development Committee new first Goals Objectives. Additionally, in keeping with the five year Strategy Plan, two VSF Board of Trustees Goals and Objectives were added. The two new Goals are to: (1) support DVS implementation of the performance budgeting process and (2) Create an organizational structure to provide additional VSF staff support needed, beyond the single full-time staff person currently involved, which would support the components of the five year strategy.

Mr. Hilgers called for questions or comments. There were none. He said that he hoped it would be the pleasure of the Board to approve the FY17 Goals and Objectives.

### **Other Unfinished Business**

Chair Webb asked if there was any other Unfinished Business. None was presented.

## **NEW BUSINESS**

### **Approval of VSF FY16 Fund Final Quarter Report**

Chair Webb called for a motion to approve the Fourth Quarter FY16 Financial Report.

Mr. Driscoll so **moved** and Mr. Lesinski **seconded** the motion. The motion **passed unanimously without discussion**.

**Approval of VSF FY18 Proposed Budget Allocations**

Chair Webb called for a motion to approve DVS proposed budget allocations for FY18.

Mr. Driscoll so **moved** and Mr. Antle **seconded** the motion which **passed unanimously without discussion**.

**Approval of Performance Budgeting**

Chair Webb called for a motion to approve Performance Budgeting (*Attachment 9*).

Ms. Wright so **moved** and Mr. Pianalto **seconded** the motion which **passed unanimously without discussion**.

**Approval of VSF Fund Restructuring**

Chair Webb called for a motion to approve VSF Fund Restructuring (*Attachment 10*).

Mr. Jim Boyd so **moved** and Mr. Driscoll **seconded** the motion which **passed unanimously without discussion**.

**Approval of VSF Strategy Plan 2017-2021**

Chair Webb called for a motion to approve VSF Strategy Plan 2017-2021 (*Attachment 11*).

Ms. Nicole Carry so **moved** and Mr. Antle **seconded** the motion which **passed unanimously without discussion**.

**Approval of VSF Bylaws Revisions**

Chair Webb called for a motion to approve VSF Bylaws Revisions (*Attachment 10*).

Mr. Lesinski so **moved** and Ms. Wright **seconded** the motion which **passed unanimously without discussion**.

**Approval of VSF-DVS Joint Policies #1, #2, #3, #4 and #10 Revised**

Chair Webb called for a motion to approve the revised Policies #1, #2, #3, #4, and #10 *Attachments 14-18*.

Mr. Antle so **moved** and Mr. Driscoll **seconded** the motion which **passed unanimously without discussion**.

**Approval of FY17 Strategic Goals and Objectives**

Chair Webb called for a motion to approve the FY17 Strategic Goals and Objectives at *Attachment 19*.

Mr. Lechler so **moved** and Mr. Pianalto **seconded** the motion which **passed unanimously without discussion**.

**Approval of VSF FY17 Committee Appointments**

Chair Webb said that Mr. Frank Finelli had been nominated as Development Committee Chair and Mr. John Lesinski as Vice Chair. Additionally, Mr. Frank Driscoll had been nominated to serve a second term as Finance Committee Chair and Mr. Bill Lechler as Vice Chair. The Chair opened to floor to nominations. There were none.

Chair Webb made a **motion** for approval of the appointments.

Mr. Antle **seconded** the motion which **passed unanimously without discussion**.

Chair Webb said that the Finance Committee had nominated Senator Walter Stosch as a Committee Advisor. Chair Webb made a **motion** for approval of the appointment.

Mr. Driscoll **seconded** the motion which **passed unanimously without discussion**.

#### **Adopt the VSF Board Action Plan**

Chair Webb stated that the Action Plan would be subject to changes, but asked that it be adopted as the first step in initiating implementation of the VSF initiatives.

Mr. Driscoll so **moved** and Mr. Boyd **seconded** the motion. The motion **passed without discussion**.

#### **Other New Business**

Chair Webb asked if there was any other new business. None was heard.

Chair Webb asked Deputy Secretary Areizaga-Soto if he would like to make some remarks.

The Deputy Secretary said that he wanted to convey from the Governor and Secretary Harvey that the Foundation is doing a great job. The Governor and Secretary share your commitment to veterans and their families and appreciate what the Foundation does for them. This is because the Foundation is a force multiplier. Not only are you able to bring your expertise to the arena where it is greatly needed, but also the resources needed. You also have the vision to look ahead as demonstrated by your strategic planning that we fully support.

On that note, the Secretary and I have been working with Mr. Hilgers for three months; working together to look at every way possible to augment the services that we provide to our veterans. We do a lot, but there still are some weak linkages. V3 is doing a great job, as you heard earlier from Mr. Schwartz, but we need to do better to connect with veterans. As you know, post-Vietnam veterans are very on-line driven and we need to connect with them regarding education and employment. We particularly need to target those veterans who are coming to Virginia because we are one of the few states that have its veterans population increasing.

The growth in the veterans population is significant and Virginia wants to stay ahead of the power curve to provide the resources needed. So we have been working with Mr. Hilgers to see how we can tap into the Foundation's great structure, which you have begun to strengthen, to leverage our advantages. The Secretary is looking to do things outside of the fence such as getting the resources from Dominion Power to provide Oceana Air Station with an independent source of electricity and benefit the community as well. He also is looking inside the fence and is committed to working with the Foundation to see how we can bring more resources into play, particularly corporations who want to contribute to Virginia's veterans population. That is my key message.

Again, on behalf of the Governor and Secretary we want to thank you for your leadership in serving our veterans.

Mr. Pianalto inquired about the current status of legislation needed to support the initiatives. Mr. Hilgers said that it is being prepared. The legislation will clarify reporting requirements, VSF staffing including the position of Executive Director, control of the VSF Fund, and authority to make disbursements and expenditures from the Fund. It will not, at this time, include authority to make investments because creating the required structure will take time and VSF will not be prepared to implement it until later as indicated in the VSF Strategy Plan 2017-2021. He said that the Commissioner and Deputy Secretary are familiar with the legislative requirements. He asked if there were further questions. None were offered.

### **Public Comment Period**

Chair Webb asked if there was any public comment. No public members were present and no comments were presented.

### **Adjournment**

Chair Webb said that without objection, the meeting was adjourned. The meeting ended at 12:39 p.m. The next meeting will be on November 2, 2016 at a location to be determined.

**ATTACHMENT 1**  
**Veterans Services Foundation Board of Trustees**  
**Resource Workforce Center**  
**121 Cedar Fork Road, Richmond, VA**  
**August 3, 2016**  
**09:30 a.m. – 2:00 p.m.**

- A. Opening and Pledge of Allegiance, Roll Call of Trustees, Quorum Determination, Introduction of Visitors, Approval of Agenda – *Board Chair* (5 minutes)
- B. Review and Approval of May 4, 2016 Development Committee and Board Meeting Minutes– *Board Chair* (5 minutes)
- C. Presentations
  - a. VVFS Update – *Betty Ann Liddell* (15 minutes)
  - b. V3 Update – *Andy Schwartz* (15 minutes)
- D. Reports:
  - a. Board of Veterans Services – *Don Kaiserman* (5 minutes)
  - b. JLC – *Bart Barton* (5 minutes)
  - c. Department of Veterans Services – *John Newby* (10 minutes)
  - d. DVS Director of Development – *Karla Boughey* (5 minutes)
  - e. Foundation Executive Director (VSF Income, Expenses, Events) – *Jack Hilgers* (5 minutes)
  - f. Board Chair (Strategic Plan and Committee Appointments) – *Pat Webb* (5 minutes)
  - g. Review of FY16 Final Quarterly Report – *Tammy Davidson* (5 minutes)
  - h. Review of DVS Budget Allocations for FY18 – *Jack Hilgers/Tammy Davidson* (5 minutes)
- V. Unfinished Business:
  - a. Development Committee Chair – *Pat Webb* (30 minutes)
    - A. Performance Budgeting
    - B. VSF Fund Restructuring
    - C. Strategy Plan 2017-2021
    - D. Board Action Plan
  - b. Finance Committee Chair – *Frank Driscoll* (5 minutes)
    - A. Development Committee Considerations
    - B. Prospective Committee Advisor
  - c. Trustees Bylaws Revisions– *Jack Hilgers/Pat Webb* (10 minutes)
  - d. VSF-DVS Joint Policies #1, 2, 3, 4, 10 Revisions – *Jack Hilgers* (10 minutes)
  - e. FY16 and FY17 Goals and Objectives – *Jack Hilgers* (5 minutes)
  - f. Other Unfinished Business – *Board Chair* (1 minute)
- VI. Working Lunch when Available
- VII. New Business:
  - a. Approval of 4th Quarter Financial Report – *Board Chair* (2 minutes)
  - b. Approval of DVS Budget for FY18 – *Board Chair* (2 minutes)
  - c. Approval of Performance Budgeting – *Board Chair* (2 minutes)
  - d. Approval of VSF Fund Restructuring – *Board Chair* (2 minutes)
  - e. Approval of Strategy Plan 2017-2021 – *Board Chair* (2 minutes)
  - f. Approval of Bylaws Revision – *Board Chair* (2 minutes)
  - g. Approval of Joint Policies #1, 2, 3, 4 and 10 Revised – *Board Chair* (6 minutes)
  - h. Approval of FY17 Goals and Objectives – *Board Chair* (2 minutes)
  - i. Approval of Committee Appointments – *Board Chair* (4 minutes)
  - j. Adopt Board Action Plan – *Board Chair* (2 minutes)
  - k. Other New Business – *Board Chair* (2 minutes)
- VIII. Public Comment Period. (5 minutes)
- IX. Adjournment (Next Board Meeting: 2 November, American Legion Building)

## **ATTACHMENT 2**

### **BOARD OF VETERANS SERVICES REPORT TO THE VETERANS SERVICES FOUNDATION August 3, 2016**

The Board of Veterans Services (BVS) met on May 19, 2016. At the meeting, the Board, led by board member Jim Icenhour, continued our productive discussion concerning the structure of the Board of Veterans Services and how it can best organize itself to fulfill its Code-mandated mission.

The Board will be working with our legislative members to request that the Code be amended such to permit the Board to organize itself in such a manner as to fulfill its Code-mandated missions. We will continue to keep the JLC up-to-date as we move through the process.

On July 22, Governor McAuliffe appointed Maj. Chris Chon to the Board of Veterans Services, and reappointed Col. Michael Dick and Brig. Gen. Belinda Pinckney. We look forward to welcoming Maj. Chon at our next meeting and look forward to continuing to work with Col. Dick and Gen. Pinckney.

The BVS is made up of fourteen citizen members, five legislators, and three *ex officio* members. Board members are in regular contact with the Department of Veterans Services to provide policy input on key operational issues.

The next BVS meeting will be Thursday, August 18th.

Respectfully submitted,

Donald Kaiserman  
Chairman

## **ATTACHMENT 3**

### **JOINT LEADERSHIP COUNCIL REPORT TO THE VETERANS SERVICES FOUNDATION (VSF)**

**August 3, 2016**

The Joint Leadership Council of Veterans Service Organizations (JLC) has met once since the last meeting of the Foundation on May 4, 2016.

At its meeting on July 13, 2016, the JLC welcomed two newly appointed members with representatives from the Fifth Baptist Veterans Ministry and the Iraq and Afghanistan Veterans of America (IAVA) both taking seats at the table. These appointments increase the JLC to twenty-five members.

The JLC was provided a presentation by Ms. Cheryl Jackson on the Virginia World War I and World War II Commemoration Commission that is Chaired by Delegate Kirk Cox. A talking paper on the Commission's plans for the upcoming commemoration is attached to this report. Additionally, the Foundation is encouraged to have Ms. Jackson present at a future meeting.

The JLC also began discussions on potential 2017 Legislative Initiatives. The JLC agreed to begin work on six of the proposed initiatives and took an additional proposal under advisement. These proposed initiatives will be developed into formatted documents for review and approval at the JLC's meeting on October 12.

Lastly the JLC confirmed the report of its Nomination Committee and elected Mr. Bart Barton, Chariman, and Ms. Marie Juliano, Vice Chairman, for the next year.

Respectfully submitted,

Harold H. Barton, Jr  
Chairman

**ATTACHMENT 4**  
**VSF INCOME FOR FY16\***  
**Unaudited**  
**June 30, 2016**

**Income**

**VVFS**

|   |           |                            |
|---|-----------|----------------------------|
| Combat Vets Motorcycle Assn Manassas      | 35,000.00 |                            |
| Lynchburg Harley-Davidson Fundraiser      | 28,000.00 |                            |
| Anonymous                                 | 27,000.00 |                            |
| McDonalds Richmond Area                   | 20,000.00 |                            |
| McDonalds Tidewater Assn                  | 16,541.20 |                            |
| McDonalds Tidewater Assn                  | 13,641.10 |                            |
| Ron Minton Golf Tournament                | 13,400.70 | + 600.00 FY15 not in total |
| Anonymous Grant                           | 13,000.00 |                            |
| McDonalds Tidewater Assn                  | 12,922.80 |                            |
| George C Marshall Ch MOAA                 | 12,500.00 |                            |
| Van Meter Financial Services              | 11,000.00 |                            |
| Lake of the Woods Golf Tournament         | 10,638.00 |                            |
| Beck Foundation                           | 10,000.00 |                            |
| Ferguson Enterprizes                      | 10,000.00 |                            |
| Blue Canopy Group (NVACH MOAA)            | 10,000.00 |                            |
| Spotsylvania Sheriff's Office Fundraiser  | 9,172.00  |                            |
| BAE Systems Golf Tournament               | 9,885.00  |                            |
| Combat Vets Motorcycle Assn Roanoke       | 8,000.00  |                            |
| Mary Spear 55 Mile Run Fundraiser         | 6,855.00  |                            |
| KC Father Boddie Association              | 6,238.70  |                            |
| Last Capitol Ball                         | 6,025.00  |                            |
| Whitney & Ann Stone Foundation            | 6,000.00  |                            |
| NXL Construction Golf Tournament          | 5,985.00  |                            |
| Funeral Choices of Chantilly              | 5,767.62  |                            |
| Prince William Cruisers                   | 5,300.00  |                            |
| EXELIS Night Vision                       | 5,000.00  |                            |
| Gilbert Reyes Insurance                   | 5,000.00  |                            |
| Wayne Zellers Memorial Golf Tourn         | 4,500.00  |                            |
| Funeral Choices of Chantilly              | 4,258.78  |                            |
| American Legion Riders Post 146           | 4,000.00  |                            |
| Gstek Golf Tournament                     | 4,000.00  |                            |
| Black Dog Salvage                         | 3,769.56  |                            |
| Fair Oak Motors                           | 3,650.00  |                            |
| Lakeview Golf Club & Seniors              | 3,467.99  |                            |
| Bush Park Camping Fundraiser              | 3,000.00  |                            |
| REICO Foundation                          | 3,000.00  |                            |
| Southern Computer Consultants Golf T      | 3,000.00  |                            |
| Revere Gas                                | 3,000.00  |                            |
| Pretty Real Estate Group                  | 2,990.00  |                            |
| Town of Dayton, VA                        | 2,773.57  |                            |
| Cox Chiropractor Clinic                   | 2,600.00  |                            |
| Hampton Roads Autobody Car Show           | 2,645.00  |                            |
| W&L and VMI Lacrosse Game                 | 2,569.66  |                            |
| ColonialWebb Systems                      | 2,500.00  |                            |
| Fraternal Order of the Eagles 871         | 2,500.00  |                            |
| James River Equipment Raffle              | 2,300.00  |                            |
| Unrefiners Golf Tournament                | 2,006.00  |                            |
| Erline Goodwyn                            | 2,000.00  |                            |
| The Landmark Group LLC                    | 2,000.00  |                            |
| Commonwealth Radioilgy                    | 2,000.00  |                            |
| Tidewater Street Rod Assn Car Show        | 1,900.00  |                            |
| Chick-fil-a Fundraiser Stafford/Fred'burg | 1,781.46  |                            |
| Pamala Derreberry Fundraiser              | 1,722.00  |                            |

|   |                   |
|---|-------------------|
| Staunton Elks Lodge Fundraiser          | 1,700.00          |
| Fredericksburg Baptist Church           | 1,569.14          |
| ES Chappell Charitable Trust            | 1,500.00          |
| Boshway Foundation                      | 1,500.00          |
| Collins Trust for VA Tech Golf Tur      | 1,500.00          |
| Ratcliff Owens Sumner Ch VFW Post89     | 1,500.00          |
| Lane High School Class of 1965 Reunion  | 1,400.00          |
| Centurion Interdenominational Church    | 1,370.00          |
| West End Toys                           | 1,280.00          |
| IOOB Chapter 4620 Chesapeake            | 1,250.00          |
| Ariya Chiropractic Clinic               | 1,200.00          |
| Tango's Tavern Golf Tournament          | 1,100.00          |
| Colonial Dames XVII Suffolk Chapter     | 1,100.00          |
| RC Health & Fitness Fundraiser          | 1,000.00          |
| River Counties Community Foundation     | 1,000.00          |
| Thomas Valentine                        | 1,000.00          |
| Eagle Tele-Services                     | 1,000.00          |
| Mark Flaherty                           | 1,000.00          |
| Better Life Services                    | 1,000.00          |
| Hampton Roads Rotary Club               | 1,000.00          |
| Scott A. DeZalia                        | 1,000.00          |
| Parkview Community Center Board         | 1,000.00          |
| Sub-Total                               | 409,528.28        |
| Individual Donors                       | <u>77,574.50</u>  |
| VVFS Revenue Balance                    | 487,102.78        |
| <br>                                    |                   |
| Benefits                                | 700.00            |
| Care Centers                            |                   |
| VVCC                                    | 42,092.07         |
| SBVCC                                   | 7,230.23          |
| Cemeteries                              |                   |
| Amelia                                  | 320.00            |
| Dublin                                  | 1,000.00          |
| Suffolk                                 | 980.00            |
| V3                                      |                   |
| Stratford University                    | 1,000.00          |
| ITA International                       | 500.00            |
| RR Donnelley                            | 500.00            |
| Networking Technologies & Support       | 500.00            |
| Logistics Management Institute          | 500.00            |
| Wal-Mart                                | 5,000.00          |
| Kelly Carr                              | 499.00            |
| Altria Client Services                  | 100,000.00        |
| Anne Lewis Weymouth                     | 50.00             |
| Women Veterans Summit                   |                   |
| Bon Secours Health System               | 5,000.00          |
| Altria                                  | 5,000.00          |
| Stratford University                    | 3,000.00          |
| Apex Systems                            | 1,500.00          |
| Foundation Endowment                    |                   |
| Support Fund Reimbursement              | 11,000.00         |
| Individual Donors                       | 660.00            |
| Interest                                | 8,367.69          |
| Accounting Adjustment to VVFS           | - 25.00           |
| FY 15 Accounting Adjustment to Benefits | - 250.00          |
| <br>                                    |                   |
| Non-VWWP Total                          | <u>195,113.62</u> |
| Total FY16 Income                       | <u>682,216.40</u> |

\*Does not include In-kind Donations or Interest

**ATTACHMENT 5**  
**VSF Support Fund Expenses**  
**Revised 6-30-16**

|                          |           |                      |                      |
|--------------------------|-----------|----------------------|----------------------|
| FY 2009                  | -0-       | + DVS Expenses (Tvl) | 1,497.88             |
| FY 2010                  | 5,117.89  | - Website            | 1,713.33 = 3,404.56  |
| FY 2011                  | 3,778.62  | - Website            | 2,217.70 = 1,560.92  |
| FY 2012                  | 15,659.91 | - NVWG               | 13,600.00 = 2,059.91 |
| FY 2013                  | 9,453.95  | - Golf Carts (2)     | 7,200.00 = 2,621.77  |
| FY 2014                  | 3,000.54  |                      | 3,000.54 = 3,000.54  |
| FY 2015                  | 5,026.85  | - Golf Cart          | 3,600.00 = 1,426.85  |
| FY 2016                  | 14,736.40 | - Website            | 11,075.00 = 3,661.40 |
| Total                    |           |                      | 15,572.43            |
| Less DVS Expenses (2009) |           |                      | 14,074.55            |
| Average Per Year         |           |                      | 2,345.76             |

Detail for FY 2010

|                  |          |
|------------------|----------|
| Travel*          | 2,196.13 |
| Public Relations | 763.77   |
| APA Audit        | 340.00   |
| Admin            | 104.09   |
| Misc             | .57      |

\*Travel included some DVS legislative requirements.

Detail for FY 2011

|                  |          |
|------------------|----------|
| Travel           | 1,475.11 |
| Public Relations | 85.70    |
| Misc             | .11      |

Detail for FY 2012

|                       |          |
|-----------------------|----------|
| Travel                | 1,759.66 |
| Web Services          | 190.00   |
| On-line Donation Svcs | 106.15   |
| Misc                  | 4.10     |

Detail for FY2013

|                           |          |
|---------------------------|----------|
| Travel                    | 1,702.10 |
| Lapel Pins                | 436.00   |
| Public Relations          | 103.74   |
| Web Services              | 115.00   |
| On-line Donation Svcs     | 30.66    |
| Professional Subscription | 42.50    |
| Admin                     | 179.20   |
| Misc                      | 12.57    |

Detail for FY 2014

|                           |              |
|---------------------------|--------------|
| Travel                    | 1,825.01     |
| Advertising               | 750.00       |
| Web Services              | .06          |
| Admin                     | 161.80       |
| On-line Donation Svcs     | 38.73        |
| Professional Membership   | 150.00       |
| Professional Subscription | <u>75.00</u> |
|                           | 3,000.54     |

Detail for FY 2015

|                       |               |
|-----------------------|---------------|
| Travel                | 764.97        |
| Web Services          | 52.00         |
| Advertising           | 375.00        |
| Admin                 | 103.49        |
| (Golf Cart            | 3,600.00)     |
| On-line Donation Svcs | <u>131.39</u> |
|                       | 1,426.85      |

Detail for FY 2016 (Jun 30, 2016)

|                       |                    |
|-----------------------|--------------------|
| Travel                | 1,480.31           |
| Advertising           | 2,125.00           |
| (Website Rebuild      | 11,075.00)         |
| Admin                 | 11.08              |
| On-line Donation Svcs | <u>55.01</u>       |
|                       | 14,736.40          |
|                       | - <u>11,075.00</u> |
|                       | 3,661.40           |

Includes special one-time advert, \$1,750.00

## **ATTACHMENT 6**

### **VSF and VWWP/VVFS Fundraising Events FY16**

| <u><b>Date</b></u> | <u><b>Event</b></u>      | <u><b>Location</b></u> | <u><b>POC</b></u>     | <u><b>Donation</b></u> |
|--------------------|--------------------------|------------------------|-----------------------|------------------------|
| 7/2/15             | James River Equip        | Ashland                | Jaime Fogg            | 2,300.00               |
| 7/3/15             | Independence Day Cel     | Powhatan*              | Clyde Childress       | 5,140.00               |
| 7/12-8/2/15        | Pleasure House Brewing   | VA Beach               | Tim O'Brien           | 381.00                 |
| 7/25/15            | RC Health & Fitness      | Chesterfield           | Rotha Covington       | 1,000.00               |
| 8/3/15             | MOAA Golf Tournament     | Lexington*             | Pat Webb              | 19,500.00              |
| 8/9/15             | Mud Run                  | Dayton VA              | Ben Shaw              | 2,773.57               |
| 8//15/15           | Black Dog Salvage        | Roanoke                | Robert Kulp           | 3,769.56               |
| 8/27/15            | Bailey's Fundraiser      | Newport News           | Janie Goldberg-Dicks  | 100.00                 |
| 8/29/15            | CVMA Benefit Run         | Daleville              | Scott Miller          | 8,100.00               |
| 8/29/15            | Augusta Expo Gospel      | Fishersville           | John Scott/Bob Solarz | Cancelled              |
| 9/7/15             | Lakeview Golf Tourn      | Harrisonburg           | Mike Goodin           | 350.00                 |
| 9/10/15            | Restaurante O'le         | Virginia Beach         | Manuel Alvarez        | 180.00                 |
| 9/12/15            | Motorcycle Run           | Lynchburg              | Tom Bushley           | 28,000.00              |
| 9/14/15            | SCCI Golf Tournament     | Ruther Glen            | Jeff Goodman          | 3,000.00               |
| 10/3/15            | Southern Knights Show    | Petersburg*            | Ricky Williams        | Cancelled              |
| 10/3/15            | The Landmark Gr Golf T   | Stuart                 | Peggy Rogers          | Cancelled              |
| 10/3/15            | Ariya Chiropractic Cl    | Ashland                | I Pool                | 1,200.00               |
| 10/5/15            | Run the Extra Mile       | Virginia Beach*        | Mary Spear            | 6,225.00               |
| 10/11/15           | KCA 3349 Golf T*         | Hartfield              | Al Langer             | 6,238.80               |
| 10/21/15           | An Evening of Music      | Blacksburg             | James Dubinski        | 501.00                 |
| 10/23/15           | WL&VMI Lacrosse          | Lexington              | Gene McCabe           | 2,569.66               |
| 10/24/15           | Unrefiners Golf Tourn    | Newport News           | Vern Bartels          | 2,006.00               |
| 11/7/2015          | Witt's Harley Davidson   | Manassas               | Chris Taylor          | 2,729.20               |
| 11/1-30/15         | McD Honor Wounded        | Hampton Roads          | Jenn Tracy            | 12,922.80              |
| 11/1-30/15         | McD Honor Wounded        | Richmond               | Melissa Wright        | 20,000.00              |
| 11/11/15           | Schockoe Market Fndrser  | Richmond*              | Elliott Park          |                        |
| 11/11/15           | Trinity Lutheran Meal    | Stephens City          | Kim Begnaud           | 80.00                  |
| 11/14/15           | Landmark Casino Nite     | Stuart                 | Peggy Rogers          | 2,000.00               |
| 4/2/16             | Concert & Ball           | Danville               | Tony Lundy            | 6,025.00               |
| 4/23/16            | HR Autobody Car Show     | Chesapeake             | Carol Dail            | 2,645.00               |
| 4/25/16            | Zellers Mem Golf Tourn   | Radford                | John Norton           | 4,500.00+1,500         |
| 4/29-30/16         | Tdwtr St & Rod Assn      | Williamsburg           | Ron Buchanan          | 2,000.00               |
| 5/7/16             | MOAA Clay Shoot          | Lexington              | Ross Schmoll          |                        |
| 8/15-5/16          | Reyes Insurance Agency   | Gilbert Reyes          | Stafford              | 5,000.00               |
| 5/5/16             | Gloucester HS Tourn      | Gloucester             | Janie Green           | 723.00                 |
| 5/7/16             | Caroline Cnty Fishing T  | Ruther Glenn           | Kathy Hancock         | 600.00                 |
| 5/12/16            | Chick-fil-A Spirit Night | Fredericksburg         | Jili Rasure           | 1,463.88               |
| 5/13/16            | GStek Golf Tourn         | Chesapeake             | Gene Strother         | 4,000.00               |
| 5/14/16            | Derreberry Fundraiser    | Newport News           | Pamela Derreberry     | 1,722.00               |
| 5/21/16            | Spotsylvania Mall        | Spotsylvania           | Don Thodos            |                        |
| 5/21/16            | Chick-fil-a Fundraiser   | Fredericksburg         | Jean Knott            | 2,305.53               |
| 5/21/16            | Overton Fundraiser       | Chesapeake             | Johnny Johnson        | 1,766.00               |
| 5/28/16            | Minton Golf Tourn        | Roanoke                | Rom Minton            | Cancelled              |
| 5/30/16            | Polenz Racing Memril Dy  | Thornton               | David Polinz          |                        |
| 6/3-5/16           | USO Week                 | VA Beach               | Johnnie Johnson       | Outreach Only          |
| 6/4/16             | Lake of Woods Golf Tur   | Locust Grove           | James Walsh           | 10,638.00              |
| 6/18/16            | ALR Ride for Warriors    | Hopewell-Richmond*     | Dennis Hubbs          |                        |
| 6/20/16            | Untd Steel Wkers Golf T  | Roanoke                | Donnie Meader         | Postponed              |

**VSF and VWWP/VVFS Fundraising Events FY17**

|              |                         |                |                         |        |
|--------------|-------------------------|----------------|-------------------------|--------|
| 7/8/16       | We the People           | Williamsburg   | James Cameron           |        |
| 7/23/16      | CVMA NoVA               | Manassas       | Ross Woodley            |        |
| 7/26/16      | Pulaski Military Apcn   | Pulaski        | Blair Hoke              |        |
| 8/16/16      | CC at the Highlands     | Chesterfield   | Emmett Smith/Ben Hadden |        |
| 9/23/16      | KCA 3349 Golf T*        | Hartfield      | Al Langer               |        |
| 9/24/16      | Pork Butt Festival      | Prince George* | Tracey Leverty          |        |
| 9/TBD        | BAE Golf Tournament     | Christiansburg | Walker Suthers          |        |
| 10/14/16     | MOAA Golf Tournament    | Lexington*     | Pat Webb                |        |
| 10/29/16     | Mashtoberfest           | Winchester     | Tim Arndt               |        |
| 11/1-6/11/16 | Dominion Charity Golf T | Richmond       | Steve Schoenfield       |        |
| 11/11/16     | Schockoe Market Fndrser | Richmond*      | Elliott Park            |        |
| 4/28-29/17   | Tdwtr St & Rod Assn     | Williamsburg   | Ron Buchanan            |        |
| 11/15-7/16   | Womack Publications     | Richard Ingram | VA/NC 11/15-7/16        | 550.00 |

## **ATTACHMENT 7**

### **Performance Based Budgeting Initiatives July 29, 2016**

#### **Performance Budgeting**

The objective is to make the budget more effective by focusing on results of resources allocated to DVS programs that VSF supports. The basic principle of performance budgeting is accountability; measuring how well each respective project was implemented. Also by assessing how effectively the funds budgeted/allocated to the DVS project were used.

Performance based budgeting supports decision making by establishing a purpose, setting measurable objectives, and providing flexibility to achieve the desired outcome. Performance may be judged by a program's ability to meet objectives that contribute to established goals within the constraints of resources (or inputs) allocated. By linking inputs to program outcomes and not process outputs, accountability can be measured. A resource allocation decision can be made by determining which projects achieve the greatest outcomes by focusing on results.

The VSF Performance Budgeting Initiative process would be as follows:

- 1) At the DVS Commissioner level, project funding requirements would be scrubbed/reviewed, prioritized and recommendations prepared for presentation to the VSF for fund allocation.
- 2) The DVS recommendations would include prioritization and performance measures that can be used by the VSF to measure the results or effectiveness of the use of the funds allocated from the VSF.
- 3) Before the third quarter VSF meeting of each fiscal year, DVS would provide a detailed review that would precede the development and subsequent approval by VSF for allocating funds to DVS for expenditure the next fiscal year.
- 4) This review would address both prioritization and performance. The DVS and or its supported activity would be asked to answer a few basic questions. These would include:
  - a. What is the activity that requires additional funding?
  - b. What and why is the current funding insufficient?
  - c. What is its priority in comparison to the other requirements submitted by the DVS?
  - d. In the event the program is currently receiving additional VSF funding, how has it performed, based on performance metrics approved by VSF?
  - e. Should a program not be on track to obligate the budgeted VSF funding, is there a shortfall in requirements, or a failure to execute the level of activity associated with the budget?
- 5) VSF Trustees validate the need and recommend a fund allocation annually at the May meeting.

The key to this initiative is approving priorities, establishing measurement metrics, and measuring program performance using both quantitative and qualitative methods. This approach will provide information to make better choices, better decisions and in turn provide greater value.

# **ATTACHMENT 8**

## **VSF Veterans Services Fund Structure**

### *Veterans Services Fund monthly and quarterly reports Spread-Sheet Elements*

#### **Current Funds**

**Annual Program Funds:** Restricted funds from donors to support each designated DVS Program as allocated annually by the Appropriations Act. The current allocations are authorized expenditures. The balances are income, but do not include obligations for projects that have had allocations during the current year and not expended. Allocated funds that have not been spent at the end of the year are carried over to the next year as are obligations. At the beginning of the next year, the fund is replenished with reserve funds to bring it to allocation levels, if sufficient reserve funds are available. If not, donations are used for replenishment. Annual Program funds are not available for endowment purposes.

**Specific Funds for DVS Projects:** Restricted funds that normally are current annual or biennial funds from donors that are to be used for special DVS requirements that are not DVS Annual Program Funds, may involve more than one DVS program, and/or include other state agencies. An example is “Women Veterans Conference.” VSF Specific Funds are not available for endowment purposes.

**Grants:** Grants normally fall under Annual Program Funds or VSF Specific Funds. VVFS examples are Wins for Warriors and Healthy Relationships Couples. The V3 example is Altria (not shown on the quarterly spread sheet). Grants are not available for endowment purposes.

**Foundation Support Fund:** Unrestricted funds appropriated by the Commonwealth or donated on an annual basis to support VSF, and the contingency needs of DVS on a reimbursable basis. This is an expenditure fund. Support funds are not available for endowment purposes.

#### **Non-Current Funds**

**Reserve Program Funds:** Unrestricted VSF Non-general Funds that are: (1) not part of the VSF Support Fund, (2) restricted funds from donors to support each designated DVS Program which are not part of the current annual Appropriations Act allocations, but available for expenditure on approval from the Department of Planning and Budget (DPB). At least 10% of the available funds or \$100,000 must remain in the account for contingency purposes. The remainder may be available for investment for endowment purposes.

**Foundation Non-General (NG) Fund (formerly Foundation Endowment):** Unrestricted funds appropriated by the Commonwealth and from donors to support VSF. This is an income fund. It contains Appropriated NG Funds, Donor Unrestricted Funds, Interest, and Dividends. It does not include DVS obligations to VSF Non-General Fund. At least 10% of the available funds must remain in the account for contingency purposes. The remainder may be available for investment for endowment purposes.

**Foundation Endowment:** The funds may be unrestricted or restricted. If restricted, their principal usually cannot be spent at all, and only a specified percent of the interest they earn can be spent per year. This Fund may consist of available Non-General, and Reserve Program Funds that may be invested. There currently are no funds in this category.

#### *Current*

#### **Annual Funds (Operating Funds):**

**Foundation Support Fund**

**Annual Program Funds**

**Grants**

**VSF Specific Funds for DVS Projects**

**Specific Funds (Designated Funds):**

**Grants**

**VSF Specific Funds for DVS Projects**

***Non-Current***

**Reserve Funds:**

**Foundation Non-General Funds**

**Reserve Program Funds**

**Endowment Funds**

## **ATTACHMENT 9**

### **Veterans Services Foundation Strategy Plan FY2017-2021 August 3, 2016**

#### **Background:**

- At the retreat of the Veteran Services Foundation (VSF) Board of Trustees Development Committee (DevCom) held on February 11, 2016, most DevCom members and several other Trustees from the Finance and Executive Committees discussed at length the goals developed as part of the 2008-2013 Strategic Planning Effort and proposed adjustments/modifications. This initiative became a basis for establishing strategies to implement these goals and objectives developed at the March 30, 2016 and May 4, 2016 Trustees meetings. All present at the meetings, including the Department of Veterans Services (DVS) Commissioner, concurred with carrying them forward to the August 3, 2016 Trustees meeting for further refinement, if necessary, and approval as a plan to carry forward. The Secretary of Veterans and Defense Affairs was briefed and read the plan on May 25, 2016. He concurred with the contents and encouraged VSF to pursue it.
- The Commonwealth's Office of the Secretary of Veterans and Defense Affairs (SVDA) is undertaking a strategic approach to grow the military missions in Virginia. This strategic approach reflects an interest in looking at a change from the status quo in how military affairs and specifically veteran affairs will be conducted. (Provide copies of SVDA initiative that was provided to the Military and Veterans Caucus attendees on March 9, 2016.) Additionally, the growing demands of the increasing veteran population are requiring DVS operations and outreach to significantly expand.
- VSF has been able to support DVS requirements by a development process that started with a fundraising campaign in 2008. Since then, Fundraising has been continued primarily through the outstanding outreach and service rendered by all DVS activities, without active solicitation by VSF. The exceptional support rendered by the Virginia Veteran and Family Support (VVFS) Program has been a driving factor. As of the end March 2016 (Third Quarter FY16), VVFS had generated \$403,500 in donations. VSF coordinates over 50 fundraising events a year for VVFS and the Care centers conduct fundraising campaigns while cemeteries coordinate local campaigns. The DVS Benefits Program also generates donations as a result of the outstanding services it has provided. Meanwhile, VSF was active in the grant programs of many organizations and VSF received almost \$120,000 from grants for V3 and VVFS. As mentioned, the excellent services provided by the DVS programs deserve all of the credit for creating donor support because the Foundation does not solicit donations apart from maintaining an informative website.
- DVS has been designated in the Code of Virginia §2.2-2715.D. to provide the Foundation with administrative and other services. This currently includes staff support of one full-time VSF Executive Director and twelve part-time development, finance, communications, and program personnel. The use of volunteers has been explored. While volunteers have been very effective in promoting and executing fundraising events, they have not worked well in executing the detailed management requirements of VSF administration and operations.
- The question is whether or not VSF should continue its current approach to fundraising and allocation of funds. More importantly, will this approach be successful in sustaining VSF's key role in supporting DVS given the initiatives likely to be brought forward by SVDA and DVS and the fluctuating economy. Very slow growth and a history of cyclical economic changes point to a turndown, if not a recession, in the next four years.

#### **Considerations:**

- Currently VSF has sufficient funds to meet DVS requests for supplemental funding and provide 100% of donor funds to Virginia's veterans and their families in the form of direct support. This is because donations generally are designated by the donors and their use is restricted in accordance with Code of Virginia §64.2-1100-1104. Therefore, no designated/restricted donations are used for VSF operational support.
- VSF continues to face the question of why it is continuing to accumulate assets and is not immediately using all of the donations for direct support of veterans and their families. This currently is caused by donations received exceeding the cost of direct support for veterans and their families under the currently approved DVS programs. DVS is exploring additional ways in which direct support can be provided to veterans and families due to mental health and related needs. DVS has several such considerations and currently is evaluating them for implementation.
- With an ever expanding population of veterans and their families eligible to receive direct support, the demand for assistance by DVS is anticipated to grow and the donor revenue currently received eventually will be needed in the long-run.

- Virginia is unique in its culture of support to its veterans. Where other states struggle to encourage donations, during the first nine months of FY16 the VVFS Program donations have increased 35% and total donations for all DVS programs are up over 16% compared to last year. This higher level of funding support is a result of the 100% commitment of donations to the direct support of veterans and their families.
- As an appropriated state agency, it would not be proper to conduct fundraising strictly for VSF operations and staff support in today's philanthropic environment, even though that support of operations and administration assures that 100% of donations designated for direct support are so used. It also would be unauthorized under the Code of Virginia §64.2-1100-1104 for VSF to divert funds donated for veterans and their families for use in VSF operations and staff support.
- The VSF board of trustees' strategic plan is designed to assure a structure for sustained VSF operations to support the Department of Veterans Services (DVS) and its support for veterans and their families. Also, the Secretary of Veterans and Defense Affairs (SVDA) and DVS will be interested in VSF capabilities to handle future issues related to veterans and their families. To do this VSF must have a sound organization, maintain healthy cash flows, and preserve its respectability. A sound structure includes a comprehensive organization with management and fiscal controls, staff, consistency, continuity, and viable procedures.

**Proposal:**

VSF develop a broad strategy taking VSF into the future, specifically 2021, which will meet the expected growth in requirements for supplemental support to the DVS.

**Components of the strategy include:**

- Create a fund structure that will support the components of this strategy.
  - Goals to be Achieved: Veterans Services Fund Maintenance and Internal Processes.
- Establish a program of performance budgeting for providing support to the DVS within the next two years.
  - Goals to be Achieved: Performance Budgeting; Community Building; Donor Satisfaction; Veterans' Satisfaction with VSF; and Donor Retention.
- Create an organizational structure to provide additional VSF staff support needed, beyond the single staff person currently involved, which would support the components of this strategy.
  - Goals to be Achieved: Veterans Services Fund Maintenance and Internal Processes.
- Develop and implement a veterans major marketing and fundraising campaign whose goal is to raise in excess of \$5M over a 3-4 year period.
  - Goals to be Achieved: Veterans' Satisfaction with VSF; Community Building; and Fund Growth.
- Establish in three years an endowment to invest the balance from the total of donations received but not committed to ensure a long-term standard level of support each year in the future.
  - Goals to be Achieved: Fund Stability; Veterans' Satisfaction with VSF; and Donor Retention
- Establish in 4-5 years an investment endowment fund whose earnings can provide the recurring basis for support to DVS.
  - Goals to be Achieved: VSF Endowment; Fund Growth; Fund Stability; Veterans' Satisfaction with VSF; and Donor Retention

**Supporting Actions:**

- Develop a separate action plan to support the detailed implementation of these initiatives (Done).
- Obtain concurrence and support of the Strategic Plan from the Governor, and General Assembly. (Working)
- Present and receive ultimate approval to change the Code of Virginia to provide VSF with a stronger organizational structure and allow it to establish an investment endowment (Working).

- Establish appropriate fundraising objectives and outline a management and fundraising plan.
  - Goals to be Achieved: Community Building and Internal Processes
  
- Gain support for adding personnel to DVS for VSF staff to support increased fundraising management and operations (including data management), marketing, and investment (which could be outsourced).
  - Goal to be Achieved: Internal Processes

# **ATTACHMENT 10**

## **VETERANS SERVICES FOUNDATION BOARD OF TRUSTEES**

### **ACTION PLAN**

#### **DRAFT**

#### **ACTION PLAN 2017-2021**

This action plan is based on the Trustees' Strategy Plan 2017-2021. The action plan issues are listed by recommended priority with those requiring immediate action first. The action organization(s) and suspense date(s) follow each action item.

1. Create a fund structure that will support the components of this strategy. **Action:** VSF Board and DVS. **To be Done:** 8/3/16.
2. In conjunction with DVS, establish performance based budgeting for providing support to both VSF and DVS. (A draft of the required actions to be accomplished is appended to this plan.) **Action:** VSF Board and DVS. **To be Initiated:** 8/3/16 and ongoing.
3. Create an organizational structure to provide additional VSF staff support needed, beyond the single staff person currently involved, which would support the components of this strategy. **Action:** VSF Board and DVS. **To be Done:** 8/3/16 and ongoing.
4. Adopt this action plan. **Action:** VSF Board with the support of DVS. **To be Done:** 8/3/16.
5. Obtain concurrence and support of Strategy Plan 2017-2021 from the Governor, and General Assembly. **Action:** Executive Director and Commissioner. **To be Initiated:** 8/3/16 and ongoing.
6. Present and receive ultimate approval to change the Code of Virginia to provide VSF with a stronger organizational structure and allow it to establish an investment endowment. **Action:** Executive Director and Commissioner. **To be Done by:** 8/30/16 for FY17 legislative actions and 8/30/17 for FY18 action on the investment endowment.
7. Establish appropriate fundraising objectives and outline a management and fundraising plan for future campaigns and fund management. **Action:** VSF Board and DVS. **To be Done by:** 8/30/17.
8. Promote support for adding personnel to DVS for VSF staff to support increased fundraising management and operations (including data management), marketing, and investment (which could be outsourced). **Action:** VSF Board with DVS. **To be Done by:** 8/30/17.
9. Gain approval for an investment program with an endowment to invest part of the reserve from the total of donations received but not committed to ensure a standard level of support each year in the future. **Action:** VSF Board in conjunction with DVS. **To be Done by:** 8/30/18.
10. Develop and implement a veterans major marketing and fundraising campaign whose goal is to raise in excess of \$5M over a 3-4 year period to support veterans initiatives and requirements. **Action:** VSF Board with DVS. **To be Done:** 8/30/18.

11. Establish in 4-5 years an investment endowment fund whose earnings can provide the recurring basis for support to DVS and VSF. **Action:** VSF Board with DVS. **To be Done by:** FY19.

12. Continue to develop action plan items to further support VSF initiatives. **Action:** VSF Board with DVS. **Ongoing.**

## **Performance Based Budgeting Appendix**

### **Implementation of Performance Based Budgeting**

**DVS in conjunction with VSF will accomplish the following initiatives:**

1. Identify a set of performance measures or indicators to objectively evaluate respective programs. They should include:
  - a. indicators of output quantity
  - b. indicators of output quality
  - c. indicators of efficiency
2. Determine which major DVS divisions' programs are to be measured and define which of their activities specifically apply to the corresponding budgeted programs.
3. Develop program evaluation processes along with frameworks that will allow DVS to: (1) effectively prioritize and evaluate the effectiveness of program budgets during the budget cycles; and (2) conduct periodic performance reviews during the year's budget execution phases.
4. Link key performance measures with the budgeting process and creating a common base for discussing expectations.
5. Establish a real-time process for activity monitoring and subsequent analysis of results/performance.
6. Confirm a quarterly schedule of DVS performance reviews.
7. Prepare and provide presentations to VSF detailing the current status of each activity. (Dashboards can be a convenient tool for real time monitoring.)
8. Establish and conduct planning session to develop new DVS budget, integrating results from performance review.
9. Provide recommended changes to budget proposals for VSF, linking each proposal to the respected result from the performance review.

## ATTACHMENT 11

# VETERANS SERVICES FOUNDATION

## Board of Trustees

### BYLAWS

### DRAFT

Note that there are occasional formatting problems due to copying issues that cannot be resolved

### Article I – Authority and Statement of Purpose

- 1.01 Authority: The authority for the Veterans Services Foundation (the Foundation) is contained in §2.2-2715 – 2.2-2719 of the Code of Virginia. The Foundation is a state agency under the Secretary of Veterans and Defense Affairs and is separate and distinct from the Department of Veterans Services (the Department) as set forth in § 2.2-230. The relationship between the Foundation and the Department shall be detailed in a memorandum of understanding which shall be an attachment to these bylaws.
- 1.02 Statement of Purpose: The Foundation serves as an independent body politic and corporate agency supporting the Department in the executive branch of state government. The Foundation shall be governed and administered by a supervisory board of trustees (the Board). The Foundation shall (i) administer the Veterans Services fund (the Fund), (ii) provide funding for veterans services and programs in the Commonwealth through the Fund, and (iii) accept and raise revenue from all sources including private source fundraising to support the Fund.
- 1.03 Mission Statement: The Virginia Veterans Services Foundation will administer and develop fundraising and other resources to provide supplemental, revenue for the Veterans Services Fund for veterans' services and programs, and work with the Department of Veterans Services and supporting organizations to assure veterans services programs are enhanced.
- 1.04 Organization: The Foundation is composed of a governing board of trustees (the board), supporting staff, donors, volunteers, and other interested parties which make-up the organization's structure and membership.
- 1.05 Relationship to the Department: *The Virginia Veterans Services Foundation is responsible for providing mutual support to the Department. Mutual support means the Foundation specifically supports the Department and is authorized to answer directly to the Department's request for assistance. The Department provides mutual support to the Foundation in support of both agencies' common goal of providing services to veterans and their families, because of each agency's: (1) assigned tasks; (2) position relative to each other; (3) common goals; and (4) inherent capabilities. Mutual support means that each counterpart has a degree of authority over the other in actions that have mutual effects and mutual costs and benefits are shared as equitably as possible. The mutual relationship is a form of partnership that exists between the Department and the Foundation because each agency was established to accomplish a common goal to provide effective efficient services while each gathers, uses, and preserves resources for current and future contingencies and maintains financial accountability and integrity through separate independent operations. The relationship is built on mutual respect for the different purpose or mission, authority, and responsibility of the two agencies and their common goal.*

## Article II – Trustees

- 2.01 ***Responsibilities and Duties:*** *The Foundation is a public entity and must behave with the utmost integrity. Trustees have as their first and foremost duty – the public good – the interests of the public at large and veterans in particular. The proper role of a Foundation Trustee is to be an independent and objective arbiter of the public and veterans interest. As stewards of the Foundation, Trustees should take it upon themselves to educate themselves and consult other organizations for accurate and relevant information. Such information empowers Trustees to ensure the overall integrity of service to veterans and the public. Only by looking beyond themselves, the Foundation, and the Department can Trustees gain a fuller understanding of their challenges and better deliver philanthropic excellence.*
- 2.02 ***Strategic Planning:*** *The Foundation board will maintain a strategic plan, which is designed to assure a structure for sustained VSF operations to support the Department and its support for veterans and their families. Also, the Secretary of Veterans and Defense Affairs and the Department will have an interest in Foundation capabilities to handle future issues related to veterans and their families. To do this, the Foundation must have a sound organization, maintain healthy cash flows, and preserve its respectability. A sound organizational structure includes a comprehensive organization with organizational control, staff, consistency, continuity, and viable procedures.*
- 2.03 ***Composition and appointment of trustees:*** The board of trustees (Board) of the Foundation consists of (i) eight non-legislative citizens appointed by the Governor; (ii) five nonlegislative citizens appointed by the Speaker of the House of Delegates; and (iii) three nonlegislative citizens appointed by the Senate Committee on Rules. The Commissioner of Veterans Services and the Chairmen of the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations, serve as ex officio voting trustees.
- 2.04 ***Terms – Vacancies:*** After initial appointments, trustees shall be appointed for a term of four years. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms. All trustees may be reappointed. However, no trustee shall serve more than two consecutive four-year terms. The remainder of any term to which a trustee is appointed to fill a vacancy shall not constitute a term in determining the trustee’s eligibility for reappointment. Vacancies shall be filled in the same manner as the original appointments. The appointing authority at its pleasure may remove any trustee of the Board.
- 2.05 ***Qualifications of trustees:*** A majority of the trustees shall be active or retired chairmen, chief executive officers, or chief financial officers for large private corporations or nonprofit organizations and individuals who have extensive fundraising experience in the private sector. Trustees shall, insofar as possible, be veterans. Each appointing authority shall endeavor to ensure a balanced geographical representation on the Board to facilitate fundraising efforts across the state.
- 2.06 ***Non-trustee Board membership:*** The Foundation Executive Director, ***Secretary***, and Treasurer serve as ex officio non-voting Board members and Agents of the Board in accordance with section 10.01 of these bylaws. Committee advisors elected to Board committees are considered non-trustee committee members in accordance with section 6.06 of these bylaws.

## Article III – Officers

- 3.01 ***General:*** *The Chairman, Vice Chairmen, Committee Chairs, Committee Vice Chairs, Executive Director, Secretary, and Treasurer shall be considered Officers of the Board.* The trustees shall elect

from their number a Chairman (Chair) and Vice Chairmen (Chairs). By separate agreements contained in the attached memorandum of understanding and VSF-DVS Joint Policy 2 (Foundation Operations), the Department of Veterans Services Director of Finance acts as the Treasurer without bond because financial controls exist to assure fiscal accountability.

- 3.02 Duties of the Chair: The Chair shall preside over all meetings of the Board unless absent, shall have general supervision of the affairs of the Board, and shall perform all other such executive duties as are reasonably necessary or are properly required by the Board. The Chair may appoint committees from within the Board of Trustees as deemed necessary or appropriate to carry out the purposes of the Foundation.
- 3.03 Duties of the First Vice Chair: Upon the death, resignation, absence, or disability of the Chair, or upon the Chair's refusal to act, the Vice Chair shall perform the duties of the Chair. In the absence or disability of the Chair, the Vice Chair shall perform the duties of the Chair only so long as the Chair is absent or disabled. In all other instances, the Vice Chair shall serve for the remainder of the Chair's term or until a substitute is elected by the Board. In the event that an issue arises concerning whether or not the Vice Chair should assume or retain the duties of the Chair, the issue shall be decided by a majority vote of the Board, excluding the Vice Chair.
- 3.04 Duties of the Second Vice Chair: The Second Vice Chair shall act in the absence, for whatever reason, of the Chair and First Vice Chair under the same provisions of those set forth for the First Vice Chair.
- 3.05 Other duties as assigned: When not performing the duties of the Chair, the Vice Chairs shall perform such duties as may be assigned by the Chair. ***The Chair and Vice Chairs shall continue to serve on the board committees to which they were assigned, but not as Committee Chairs or Vice Chairs.***
- 3.06 Duties of the Secretary: *See sub-sections 4.06 and 10.01 of these bylaws.*
- 3.07 Duties of the Treasurer: See sub-sections 4.07 and 10.01 of these bylaws.
- 3.08 Term of service: Elected officers shall serve a term of one year. While this term will nominally run from July 1 – June 30 (see section 3.08 of these bylaws). Officers shall be eligible for reelection, not to exceed two years of consecutive service.
- 3.09 Elections: Election of officers will be held every year during the regular third quarter (July – September) meeting. If a quorum is not present, elections will be held at the next meeting at which there is a quorum.
- 3.08.1 Nominating Committee. The Nominating Committee is a special committee responsible for nominating Board trustees for Board Chair and Vice Chair positions. Annually, at the regular March meeting of the Board, a Nominating Committee of an odd number of not less than three or more than five voting trustees shall be elected by the Board from volunteers without undue influence by the current Board officers. Current Board officers and ex officio trustees shall not serve on the Committee. The Committee shall meet at the same meeting during which it is created to elect its chair or as soon thereafter as possible. The Nominating Committee shall consult with the Chair and all other Board trustees about the needs of the Foundation without being bound by their suggestions. The Nominating Committee may be assisted in its duties by the Foundation Executive Director, if the Committee so desires.
- a. Nominations. The Nominating Committee shall post a call for nominations for Chair and Vice Chairs from the Board no later than 10 working days following the Committee's first meeting. The Foundation Executive Director may forward the call on behalf of the Committee, if the Committee Chair so requests. Trustees of the Board may feel free to nominate themselves for an

office to the chair of the Nominating Committee. Board trustees may be nominated regardless of time served or time remaining on the Board, except that Board trustees who are in their last year of service of a four-year term shall not be eligible for nomination. The nominee for Board Chair must have more than one year remaining on his/her term of appointment. The foregoing would not preclude a reappointed trustee being nominated from the floor as set forth below. Ex officio trustees *and the Executive Director, Secretary, and Treasurer* shall not be eligible to serve as Board Chair *or Vice Chairs*. The Nominating Committee should give priority to nominating trustees for office whose terms of appointment on the Board do not expire simultaneously so the Board shall not be without a presiding officer.

b. Presentation of Nominations. The Nominating Committee shall meet at least fifteen working days prior to the second quarter (April – June) Board meeting to determine the nominations to be presented to the Board at that meeting. The recommendation of the nominating committee shall be distributed with the announcement of the second quarter meeting of the Board. At the second quarter meeting, the nominating committee shall present candidates for each office for election at that meeting. Nominations from the floor may be made prior to such election.

c. Committee Vacancies. In the event a trustee of the Nominating Committee cannot serve or becomes a candidate for an office for which the committee is selecting candidates, he/she shall resign from the committee immediately and the Board Chair shall immediately appoint a replacement.

d. Officer Chair and Vice Chair Vacancies. The Nominating Committee may be elected by Board trustees at a regular or special meeting to fill vacant officer positions that may be created. The Nominating Committee shall then meet as required. The vacancy shall be filled for the unexpired term by the Board at the meeting during which the vacancy is first created or discovered by immediately electing a Nominating Committee and electing ~~an officer or officers~~ a Chair or Vice Chair at the current, or special, or next regular meeting to fill vacancies. The election shall require an affirmative vote of at least ten voting trustees of the Board. In the temporary absence of all three officers, the Board shall elect one of its voting trustees to preside.

3.09.1 Election. Elections shall be by voice vote. Elections shall be decided by a majority of the votes cast. If a candidate fails to achieve a majority vote on the first ballot, the two candidates with the most votes will be voted on by a second ballot. Newly elected ~~officers~~ *Chairs* shall assume the responsibility of the position to which they were elected on 1 July of the year for which they are elected.

## **Article IV – Administrative Support**

4.01 Administrative and other services: The ~~Secretary of Veterans and Defense Affairs~~ *Code of Virginia* has designated the Department to provide the Foundation with administrative and other services *in accordance with §2.2-2715.E*.

4.02 Executive Director: The Board shall appoint a Foundation Executive Director, who will be provided by the Department, who shall serve at the will of the Board of Trustees as chief administrator of the Foundation. The Executive Director shall be an agent of the Board to act on the Foundation's behalf and only shall perform those duties and have such powers as designated by the Board in accordance with section 10.01 of these bylaws.

4.03 Executive Director Selection: *The Executive Director shall be selected from a group of eligible candidates recruited through the Virginia Department of Human Resources Management Policy 2.10 – Hiring. The selection panel shall consist of at least four Trustees, one of which shall be the Board*

*Chair, and the Department Commissioner. Once selected by the Foundation Trustees panel, the Executive Director shall be hired by the Department in accordance with §2.2-2715.E.*

4.04 The Executive Director's duties shall be:

4.04.1 Support the efforts of the Foundation to seek, promote, and stimulate contributions to the Fund, including:

- a. Plan and implement an effective capacity-building and development strategy consistent with the programs and mission emphasis of the Department;
- b. Establish and maintain productive on-going relationships with legislative and development entities at the municipal, regional, state, and national levels;
- c. Coordinate and sustain state legislative and funding efforts in support of the Foundation;
- d. Support efforts to more effectively brand and market veterans services.

4.04.2 Manage the Foundation's finance (e.g., accountability) initiatives in collaboration with the Department's Director of Finance and Department finance staff.

4.04.3 Oversee all Department efforts in support of the Foundation, including:

- a. Develop Department and Foundation policies and procedures related to mutual support of both agencies;
- b. Serve as the Foundation and Department daily point of contact and coordination for development activities with public and private development-related organizations and other interested parties.

4.04.4 Attend Board meetings as an ex officio, non-voting participant and Board Committee meetings as a non-Board advisor authorized by section 6.06 of these bylaws.

4.04.5 Report activities to the Board as required, but at least at every Board meeting.

4.04.6 Perform other coordination and duties as necessary to support the mission and authority of the Foundation.

***4.04.7 The Executive Director shall be assisted in carrying out these duties by the Foundation Secretary and Treasurer who shall be considered Deputy Executive Directors.***

4.05 Reports: The Executive Director shall ensure that the reports required of the Foundation are submitted. The Foundation shall submit a quarterly report to the Commissioner of Veterans Services on the Foundation's funding levels and services and an annual report to the Secretary of Veterans and Defense Affairs and General Assembly on or before November 30 of each year.

***4.06 ~~Proceedings of the Board: The Executive Director shall serve as the Secretary to the Board.~~ Secretary: The Secretary shall be the Department Director of Development. The incumbent may be assisted by such department staff as required. The Secretary to the Board shall be considered an agent of the Board to act in the Foundation's behalf and only shall perform those duties and have such***

*powers as designated by the Board in accordance with section 10.01 of these bylaws. It shall be the duty of the Secretary to keep a true record of the Board's proceedings and shall be custodian of the minutes and other records of the Board in conjunction with Department staff involved in maintaining such records. At the Chair's request, the Secretary shall communicate the Chair's notice of meetings to trustees of the Board. The Secretary shall post minutes of meetings to the Commonwealth Calendar and to the website of the Department of Veterans Services and the Foundation, in accordance with §2.2-3707.1 of the Code of Virginia. The Secretary also shall be the Foundation corresponding Secretary.*

- 4.07 Treasurer: ~~The Board may elect a Foundation Treasurer, who will be provided by the Department and who shall serve at the will of the Board of Trustees. The Treasurer shall be the Department Director of Finance in accordance with §2.2-2715.G of the Code of Virginia. The incumbent may be assisted by such Department staff as required.~~ The Treasurer shall be an agent of the Board to act on the Foundation's behalf and only shall perform those duties and have such powers as designated by the Board in accordance with section 10.01 of these bylaws. The Treasurer's duties shall be to serve as financial officer for the Board and keep accurate, auditable records of donations received and expenditures made from the Fund. The Treasurer shall submit a quarterly report to the Board and the Commissioner of Veterans Services on the Foundation's funding levels and services.

### Article V – Meetings and Compensation

- 5.01 Meetings: The Board shall meet at least quarterly, at a time and place determined by the Trustees. Additional meetings may be called by the Chair or at the request of at least four trustees. Meetings shall be conducted in accordance with public meeting and Virginia Freedom of Information Act (FOIA) guidelines.
- 5.02 Quorum and Manner of Acting. A majority of the trustees of the Board who are serving shall constitute a quorum for the transaction of business. The act of a majority of the trustees present at any meeting at which a quorum is present shall be the act of the Board. In the absence of a quorum, a majority of the trustees present may adjourn the meeting until a quorum is attained or convene either a special or emergency meeting of the executive committee or other committees to accomplish the business at hand.
- 5.03 Compensation: Trustees of the Board shall be reimbursed for their actual expenses incurred while attending meetings of the trustees or performing other duties. However, such reimbursement shall not exceed the per diem rate established for members of the General Assembly pursuant to §30-19.12 of the Code of Virginia.
- 5.04 Meeting Procedures:
- 5.04.1 Meeting Notification. Meetings are assemblages, including work sessions, of the committee trustees. No business shall be conducted unless a quorum of voting trustees is determined. All meetings, except as noted in 5.04.6 below, shall be open to the public and notice of the date, time, and location of the meeting shall be posted on the Commonwealth Calendar, on the Department of Veterans Services website, and in a prominent public location. The notice shall state whether public comment will be received. The provisions of FOIA, particularly §2.2-3707 of the Code of Virginia, shall be observed. For meetings involving electronic communications, see §2.2-3708 of the Code of Virginia.
- 5.04.2 Regular Meetings. Regular meetings of the Foundation and Standing Committees should be held at least four times each year on such dates and in such places as may be set by the Board Chair or Committee Chair. Regular meetings shall be announced to Foundation Board trustees, Department staff, and the public at least 10 days prior to the day the regular meeting is to be

convened to assure maximum participation, the three day FOIA statutory notification not withstanding.

- 5.04.3 Special Meetings. Special meetings may be called by the Board or Committee Chairs, or by any three committee trustees at such dates, times, and places, with agenda, as may be specified in the call for such meeting in accordance with §2.2-3707 of the Code of Virginia. For special meetings, seven days' notice shall be given of the date, time, place, and agenda, the three day FOIA statutory notification not withstanding.
- 5.04.4 Emergency Meetings. Emergency meetings are special meetings. They may be called by giving reasonable notice to all trustees and the public whenever in the judgment of the Board or Committee Chair, in consultation with the Foundation Executive Director and the Commissioner of DVS, there is an emergency as defined by §2.2-3701, Code of Virginia. A quorum of voting trustees shall be sufficient to transact any business with respect to said emergency.
- 5.04.5 Conduct of Business. All meetings shall be conducted in accordance with the Code of Virginia, the VSF Bylaws, and the current edition of Robert's Rules of Order Newly Revised, in order of descending precedence. The published agenda shall be followed, unless modified by a majority vote of trustees present. Votes on substantive matters shall be taken by roll-call vote of all voting trustees supporting, opposing, or abstaining from the matter. No proxies, secret, or written ballots are authorized in any committee meeting and votes cannot be taken by telephone or other electronic communication means (§2.2-3710, Code of Virginia). Minutes shall be recorded of committee meetings and shall be deemed public records and subject to the provisions of FOIA.
- 5.04.6 Closed Meetings. Meetings from which all persons are properly excluded except Board trustees and interested parties invited by the Chair to attend are closed meetings. The conduct of closed meetings shall be governed by the provisions of §2.2-3711 of the Code of Virginia. Closed meetings cannot be conducted electronically. Any resolution, ordinance, rule, contract, regulation, or motion discussed in a closed meeting shall not become effective unless the committee, following the closed meeting, reconvenes in open meeting, clearly identifies the substance of the action to be taken, and takes a vote of the trustees on such resolution, motion, or other form of action (§2.2-3711.B, Code of Virginia). Closed meeting procedures to be followed and certification of proceedings are contained in §2.2-3712, Code of Virginia.

## Article VI – Committees

### 6.01 Executive Committee

- 6.01.1 Composition. The executive committee shall consist of the officers, committee chairs or vice chairs of the Board *and Commissioner of Veterans Services*. A quorum of the executive committee shall consist of three executive committee trustees. All trustees of the Board and advisors shall be encouraged to attend executive committee meetings and board trustees in attendance shall be entitled to vote.
- 6.01.2 Duties and Authority. The executive committee shall meet upon the call of the Board Chair. The executive committee shall have the power of the Board to take such actions as are necessary to direct the affairs of the Foundation between Board meetings or in place of Board meetings as circumstances require. The full Board must be notified of all actions taken by the executive committee and all actions must be ratified by the Board at its next regular meeting, or a special meeting called for that purpose in emergency situations. The committee shall: (1) coordinate the policy and planning development and the goals/objectives of the Foundation and Board

committees; (2) be responsible for relations with affiliated boards, councils and other veterans organizations, and (3) shall recommend the means whereby the Board will assess its effectiveness.

6.02 Standing Committees. In addition to the executive committee, the standing committees of the Board shall consist of a finance committee and a development committee. The Chairs, Assistant Chairs, and trustees of the two standing committees shall be appointed by the Board Chair, after consultation with the parties involved. ***Trustee Board officers, ex officio trustees, and non-trustee officers and advisors shall not be eligible for appointment as committee Chairs and Vice Chairs.*** The appointments shall be approved by the Board at the meeting at which the appointments are proposed by the Board Chair. Committee trustees shall serve for terms of one year and shall continue to serve until their successors have been duly appointed. All trustees subsequently may be reappointed from year to year. A quorum of each of the standing committees shall consist of a majority of Board trustees who are committee trustees. The Board Chair, Vice Chairs, and ex officio Board trustees shall not serve as committee Chairs or Assistant Chairs, but are deemed committee trustees for all purposes, including a quorum. Meeting notices shall be provided as set forth in FOIA guidelines. The agenda for each regular Board meeting shall include a report by each committee to the Board. Unless otherwise specifically provided by the Board, decisions or recommendations of standing committees are advisory and must be ratified and approved by the Board.

6.02.1 Finance Committee. The finance committee supports the Board's responsibilities for Veterans Services Fund administration, the budget process, accountability, and fiscal efficiency in general. The committee is responsible for making recommendations to the Board on matters pertaining to Veterans Services Fund expenditures, Foundation fiscal policies; oversight of the fiscal accounts, ***budgets and performance budgeting***, contracts, and the impact of the foregoing on the Foundation's overall fiscal condition, mission, and purpose. The committee also constitutes and serves as the Board's Audit Committee overseeing the internal review function and receiving the annual report of the Auditor of Public Accounts.

6.02.2 Development Committee. The development committee supports the Board's responsibility for relations with affiliated Foundations/organizations and is responsible for making recommendations to the Board on matters and policies pertaining to the Foundation's seeking, promoting, and stimulating contributions and other sources of revenue for the Veterans Services Fund, and both community (including veterans and military) and public relations. When directed, it organizes fundraising programs, including capital campaigns.

6.03 Additional Committee Responsibilities. The executive committee and each standing committee shall periodically review Board policies and procedures in its areas of responsibility and recommend revisions as necessary. The standing committees shall have such other duties and responsibilities as are assigned to them by the Board or by the Board Chair, subject to the Board's approval. In accordance with the preceding and after consulting with their respective committees and appropriate DVS officials, committee Chairs shall present goals/objectives for the coming year at an executive committee meeting set by the Board Chair. Goals and objectives shall be initiatives consistent with the mission of each standing committee as set forth above.

6.04 Special Committees. Special or ad hoc committees may be created at any time either by action of the Board, or by written direction of the Board Chair with the approval of the Board. Special committees shall consist of no fewer than two Board trustees appointed by the Board Chair who shall appoint the special committee Chair, and fill vacancies in consultation with the special committee Chair. The Board Chair shall also have the power to change the trustee membership of special committees at any time with the concurrence of the special committee Chair and the Board, unless it is the special committee Chair who is to be removed. In making initial or subsequent assignments of individuals to special committees,

the Board Chair shall take volunteers into account. Special committees shall have a life specified by the Board at the time of constitution, shall be subject to annual reviews, and may be renewed for a specified period by action of the Board. At the time the special committee is created, its mission shall be specifically established and articulated either by action of the Board or by written direction of the Board Chair with approval of the Board. The Board resolution or the direction of the Board Chair shall specify when the special committee is to make its final report to the board. *Special Committees with one or more trustees and non-trustee members shall abide by Article V of these bylaws and the requirements of FOIA.*

- 6.05 Subcommittees. Committees may appoint subcommittees of not less than one Board trustee from within their trustee memberships to consider such specific business as required, subject to Board approval of such subcommittee's creation. *Subcommittees with one or more trustees and non-trustees as members shall abide by Article V of these bylaws and the requirements of FOIA.*
- 6.06 Appointment of Non-Board Advisors to Committees. Non-Board members (including, but not limited to, Department of Veterans Services staff members) who are considered advisors can be appointed to Board committees or subcommittees with the Board's approval of each proposed person. Advisors have the advantage of broadening the committee's knowledge base and experience in particular areas. The advisors who are approved for committee membership shall serve under the same conditions, *including term limits*, as Board trustees, except they shall serve in a non-voting capacity *and the terms of the Executive Director, Secretary, and Treasurer shall be coincident with their office.*
- 6.07 Ex Officio Trustee Participation in Committees. *Except as noted in section 6.01.1 of these bylaws*, Ex Officio Board trustees may participate in committee meetings and, if in attendance are deemed voting committee trustees for all purposes, including a quorum.
- 6.08 Foundation Staff Participation. *Either the Executive Director, Secretary, or Treasurer shall participate in all committee and sub-committee meetings as non-voting members, unless excused by the committee or sub-committee Chair.*
- 6.09 Committee Reports. The committee Chair, Assistant Chair or a designated committee representative shall report task/issue progress/resolution, or lack thereof, and conclusions/ recommendations, as appropriate, at each board meeting. Minority reports are encouraged in the case of split decisions or where significant differences of opinion exist.
- 6.10 Freedom of Information Act (FOIA) Requirements. Meeting notices shall be provided as set forth in the FOIA guidelines and meetings shall be conducted in accordance with the Act.

## **Article VII—Bonds, Accounts and Records, Audits**

- ~~7.01 Bonds: Any single person designated by the Board to handle the funds of the Foundation or the Fund shall give bond, with corporate surety, in a penalty fixed by the Governor, conditioned upon the faithful discharge of his duties. Any premium on the bond shall be paid from funds available to the Foundation. Should the Auditor of Public Accounts determine that fiscal controls exist that assure fiscal accountability, this section of the Bylaws shall not apply. (Note that this section has been stricken from the Code of Virginia.)~~
- ~~7.02 Accounts and Records: The accounts and records of the Foundation showing the receipt and disbursements of funds from whatever source derived shall be established by the Auditor of Public Accounts in a manner similar to other organizations.~~

~~7.03 **Audits:** The Auditor of Public Accounts or his legally authorized representative shall annually audit the accounts of the Foundation, and the cost of such audit shall be borne by the Foundation.~~  
(Note that sections 7.02 and 7.03 are contained in Article VIII.)

## **Article VII – Authority of the Foundation**

The Foundation has authority to:

- 7.01 Administer the Veterans Services Fund, request appropriations and make allocations of revenue from the Fund to the Department of Veterans Services to provide supplemental funding for services and programs;
- 7.02 Accept, hold and administer gifts and bequests of money, securities and other property, absolutely or in trust, for the purpose for which the Foundation is created;
- 7.03 Enter into contracts and execute all instruments necessary and appropriate to carry out the Foundation's purposes;
- 7.04 Take actions as may be reasonably necessary to seek, promote and stimulate contributions for the Fund;
- 7.05 Develop other possible dedicated revenue sources for the fund; and
- 7.06 Perform any lawful acts necessary or appropriate to carry out the purposes of the Foundation.

## **Article VIII – The Veterans Services Fund**

- 8.01.1 **The Fund:** The Veterans Services Fund (the Fund) is a special nonreverting trust fund on the books of the Comptroller, and is administered by the Foundation. The Fund shall include such funds as may be appropriated by the General Assembly, revenues transferred to the Fund from other state programs established for the Fund's benefit, and designated gifts, contributions and bequests of money, securities, other property of whatsoever character.
- 8.01.2 **Tax Exemption:** Gifts and bequests of money, securities, or other property and the interest or income there from, shall be deemed gifts to the Commonwealth and shall be exempt from all state and local taxes.
- 8.02 **Fund Structure:**
  - 8.02.1 *The accounts and records of the Foundation showing the receipt and disbursement of funds from whatever source derived shall be established by the Department of Accounts and Auditor of Public Accounts in a manner similar to other organizations. The Auditor of Public Accounts or his legally authorized representative shall annually audit the accounts of the Foundation, and the cost of such audit services shall be borne by the Foundation in accordance with §2.2-2717 of the Code of Virginia.*

**8.02.2 *The Veterans Services Fund operating structure shall allow for separate current and non-current funds for annual operations as set forth in the Appropriations Act, reserves, specific funds for stand-alone projects, and endowments primarily to provide funding for Department veterans programs and services. It also funds for Foundation operations to support veterans programs and services and is not an auxiliary or reserve fund for the Department or Foundation.***

8.02.3 Fund Allocations: Allocation of funds for Department programs from the Veterans Services Fund may only be authorized by the majority vote of Trustees present at a meeting in which there is a quorum.

**8.03 *Fund Use: The Fund shall be used solely for the purposes of carrying out the applicable provisions of §2.2-2715 et seq. The unrestricted portion of the Fund may be used for Foundation expenses, subject to approval by the Board of Trustees. Allocations and expenditures of donated restricted funds shall be in accordance with the provisions of §§ 64.2-1100 through 64.2-1104 of the Code of Virginia. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written authorization Executive Director and approval of the Board.***

## **Article IX – Agents of the Board and the Execution of Contracts**

9.01 Agents of the Board: By majority vote, the Board may, in accordance with applicable laws of the Commonwealth of Virginia, appoint agents to act on the Foundation's behalf. Such agents shall have all rights and privileges of Trustees, however, they will be ineligible to vote on issues brought before the Board.

9.02 Execution of Contracts and Other Documents: The Board, except as by law or by these by-laws otherwise requires, may authorize any trustee or agent, in the name of and on behalf of the Foundation, to enter into any contract or execute any deed or other instrument. Any such authority may be general or confined to specific instances.

## **Article X – Protocol, Governance, and Communications**

10.01 Protocol: The board is the ultimate authority in the Foundation. The Board's authority is stated in the Code of Virginia, its authority to act is vested in the body (i.e., majority) of the Board, not in committees or individual trustees, regardless of their position. Individual trustees are all equals among equals and both elected officers of the Board and the Executive Director only have authority delegated by the Board.

10.02 Governance: In accordance with Roberts Rules of Order Newly Revised, the Board Chair is a facilitator who promotes efficient and effective board functioning that shall best contribute to the determination of proper policies, wise planning, intelligent and considerate observance of the rights of all concerned. The Board Chair's goal in the foregoing is to maintain the independence of the Board so that it effectively contributes to the current and future enhancement of the mission of the Foundation.

10.03 Communication Authority: The Board Chair is the Board's only official spokesperson, particularly as the Chair serves as an ex officio trustee of the Board of Veterans Services (BVS) and the Joint Leadership Council (JLC) of Veterans Service Organizations. This is relevant in dealing with the Department of Veterans Services (DVS), other agencies, and public sector organizations and individuals. The Foundation Executive Director and Commissioner of Veterans Services support the Board Chair in this role and their authority is covered in VSF-DVS Joint Policies provided by the Board. The Executive Director and the Commissioner must consult with the Board Chair and receive the Chair's consent. In

other cases, the Chair may appoint a Board trustee or trustees to represent the Board on particular occasions. On those occasions, specific instructions will be provided to those Board trustees. However, this does not pertain to Board trustees speaking as private citizens, though they also may be Board trustees, as long as they specify that any views presented are their personal views and are not speaking for the Board or the Foundation.

#### **Article XI – Miscellaneous**

- 11.01 Adoption and Amendment of Bylaws: These bylaws may be adopted and amended by a two-thirds majority vote of all Board trustees, excluding any vacant positions. Notice regarding matters related to the bylaws shall be given to all trustees ten days prior to voting.
- 11.02 Procedure: Except as otherwise provided by these bylaws, every attempt should be made to conduct meetings of the Board in accordance with the current edition of Robert's Rules of Order Newly Revised.
- 11.03 Effective Date of Bylaws and Amendments: These bylaws and any amendments shall become effective on ~~November 4, 2015~~ *August 3, 2016*. All former bylaws of the Foundation will hereby be repealed on ~~November 4, 2015~~ *August 3, 2016*.

## **ATTACHMENT 12**

### **VIRGINIA VETERANS SERVICES FOUNDATION VIRGINIA DEPARTMENT OF VETERANS SERVICES**

#### **Coordination between the Veterans Services Foundation and the Department of Veterans Services ~~involving~~ including the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations Policy and Procedures**

### **DRAFT**

#### **J1.1 Purpose**

The purpose of this policy is to establish guidelines and procedures for coordination between the Virginia Veterans Services Foundation (VSF) and the Virginia Department of Veterans Services (DVS) ~~involving~~ **including** the Board of Veterans Services (BVS) and the Joint Leadership Council of Veterans Service Organizations (JLC).

#### **J1.2 Application**

The Chairman of the VSF Board of Trustees (the Trustees) and the Commissioner of Veterans Services or their designee(s), with advice from the Foundation Executive Director and Chairmen of BVS and JLC shall be responsible for the application of this policy.

#### **J1.3 Interpretation**

The VSF Trustees Chairman or his/her designee, in consultation with the Commissioner of Veterans Services, shall be responsible for the interpretation of this policy.

#### **J1.4 References**

- A. Virginia Code §2.2-2001.A authorizes DVS to establish, operate, administer and maintain offices and programs related to services for veterans of the armed forces of the United States and their Virginia-domiciled spouses, orphans and dependents. The Commissioner of Veterans Services heads DVS and is supported by, and supports, the BVS, the JLC, and the VSF.
- B. Virginia Code §2.2-2715.B. provides for VSF to (i) administer the Veterans Services Fund (the Fund, (ii) provide funding for veterans services and programs through the Fund, and (iii) raise revenue from all sources to support the Fund. VSF is an independent agency under the Secretary of Veterans and Defense Affairs and receives administrative and other services from DVS. VSF and DVS are mutually supporting agencies.
- C. The Memorandum of Understanding between VSF and DVS sets forth the relationships between the two agencies and provides the basis for this policy.
- D. *Virginia Code §2.2-2715.C. specifies that the Commissioner of Veterans Services and the Chairmen of the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations serve as ex officio voting Trustees of the board of Trustees of VSF.*

## **J1.5 Overview of VSF and DVS**

- A. VSF is responsible for providing direct mutual support to DVS in a manner similar to the Virginia Departments of General Services and Virginia Information Technologies agencies that provide general mutual support to the Virginia State government.*
- B. Direct mutual support means VSF specifically supports DVS and is authorized to answer directly to DVS' request for assistance. This is in contrast to general mutual support where one agency supports all state agencies as a whole and not any particular one agency alone. Additionally, DVS provides direct mutual support to VSF in support of both agencies' common goal of providing services to veterans and their families, because of each agency's: (1) assigned tasks; (2) position relative to each other; (3) common goals; and (4) inherent capabilities.*
- C. Mutual support is a form of partnership to accomplish a common goal and means that each counterpart has a degree of authority over the other in actions that have mutual effects and that mutual costs and benefits are shared as equitably as possible. The mutual relationship exists between DVS and VSF because each agency was established to provide effective and efficient services while each gathers, uses, and preserves resources for current and future contingencies and maintains financial accountability and integrity through separate independent operations. The relationship is built on mutual respect for the different purpose or mission, authority, and responsibility of the two agencies and their common goal. The elements of that mutual support are contained in a DVS-VSF memorandum of understanding and supporting Joint VSF-DVS Policies and procedures.*
- D. In the context of the DVS and VSF relationship, the Commissioner or Executive Director, who receives assistance from each other's agency or capabilities, is responsible for ensuring the supported agency understands the assistance required.*

## **J1.5-6 Overview of BVS and JLC**

- A. BVS is a policy board that advises the Commissioner on veterans issues, delivery of services, plans, projects and policies and procedures. BVS also makes recommendations to DVS and the VSF regarding gifts, grants and other resources from public and private entities in support of services to veterans.*
- B. JLC is an advisory council that advises the Commissioner on support for veterans services and programs and addressing veterans issues (i.e., needs) not currently provided.*

## **J1.6 7 Policy**

~~It is the policy of VSF to~~ *shall* entertain only funding requests that have been reviewed and approved by DVS. It is the policy of VSF and DVS to ensure cooperative and efficient inter-relationships between VSF, DVS, BVS, and JLC.

## **J1.7 8 Procedures**

- A. Detailed procedures for VSF and DVS are contained in VSF-DVS Joint Policies 2 through 11.*
- B. In most cases, the procedure for commencing interactions between DVS, BVS, JLC and VSF is for JLC to identify an unmet need. The need then would be passed to BVS for its insight and recommendations on best practices, management and performance requirements, non-profit operations and other considerations. BVS then would validate the requirement and pass its recommendation to DVS for consideration. DVS may consider internal resources or external resources, including VSF resources, to address the unmet need.*

- C. When BVS identifies a need, it would be passed to JLC for validation. If validated, it then would be passed to DVS for consideration, in consultation with BVS. DVS may consider internal resources or external resources, including VSF resources, to address the need.
- D. DVS needs typically should be passed to BVS for vetting and recommendations, and then passed to JLC, VSF, or other agency, as appropriate.

### **J1.8-9 Exceptions**

- A. Exceptions to this policy shall be determined by VSF in consultation with DVS. BVS, JLC and other activity(ies) involved, if any, may be consulted by DVS.
- B. JLC under Code of Virginia §2.2-2682.C "...may apply for funds from VSF to enable it to better carry out its objectives. JLC shall not impose unreasonable burdens or costs in connection with requests of agencies." Such applications shall be made through the Commissioner of Veterans Services, without the necessary involvement of BVS as the Commissioner may determine.
- C. *BVS under Code of Virginia §2.2-2454.9."Provide recommendations to the Department of Veterans Services and the Veterans Services Foundation ... regarding gift, grants, and other resources from public and private entities and organizations to support veterans services."*
- D. *Joint VSF and DVS relations with other entities, including the Virginia War Memorial Foundation Board of Trustees, shall be governed by the mutual interests of both parties.*

### **J1.9 10 Adoption and Amendment**

This policy may be adopted and amended by a majority vote of the VSF Board of Trustees after consultation with the Commissioner of Veterans Services. Notice regarding such actions shall be given to the Commissioner and all Trustees at least ten (10) days prior to the vote being taken. Biennial review of this policy is the responsibility of the VSF Executive Committee.

On adoption, this policy supersedes DVS Administration Policy 34.

### **J1.10 11 Policy Effective Date**

The effective date of the policy, or policy revision, shall be the date the VSF Trustees and the DVS Commissioner ratify the policy. Revised August 6, 2014, **August 3, 2016**.

May 6, 2009

# ATTACHMENT 13

## VIRGINIA VETERANS SERVICES FOUNDATION VIRGINIA DEPARTMENT OF VETERANS SERVICES

### Foundation Operations Policy and Procedures

#### DRAFT

#### J2.1 Purpose

This policy is established for the purpose of setting forth the operating procedures and technical requirements for the Virginia Veterans Services Foundation (VSF or the Foundation) operations in support of the Virginia Department of Veterans Services (DVS), and to ensure that the administration and operations of the Foundation reflect the Commonwealth's and the Nation's honor and support for their veterans.

#### J2.2 Application

The VSF Executive Director, in conjunction with the DVS Commissioner, is responsible for the application of this policy.

#### J2.3 Interpretation

The VSF Board of Trustees (the Trustees) Chairman, in conjunction with the DVS Commissioner, is responsible for the interpretation of this policy.

#### J2.4 References

Administration of the Foundation is authorized under the Code of Virginia §§ 2.2-2715, et seq. The allocation and expenditure of funds shall be controlled by Code of Virginia §64.2-1100 et seq. Operation of the Foundation is subject to applicable state and federal laws and regulations, as well as policies and procedures established by the Foundation Trustees and the joint policies and procedures of VSF and DVS including the current DVS-VSF Memorandum of Understanding (MOU) *and observance of the Donor Bill of Rights contained in Appendix A.*

#### J2.5 Overview

- A. The Foundation is a state philanthropic activity comprised of a governing board of trustees, supporting staff, donors, volunteers, and other interested parties. It is authorized to administer the Veterans Services Fund (the Fund), provide funding for veterans services programs in the Commonwealth through the Fund, and raise revenue from all sources to support the Fund.
- B. ~~The Secretary of Veterans and Defense Affairs has tasked DVS with providing~~ *The Code of Virginia §2.2-2715.E. states that DVS shall provide* administrative and other services to the Foundation. The administrative and other services provided to VSF are enumerated in the DVS-VSF MOU. VSF responsibilities to DVS are contained in the VSF Trustees bylaws and the MOU.
- C. In accordance with the MOU, DVS provides a staff member to act as the Foundation's agent for VSF administration and to act as the liaison between DVS and the Foundation. This staff member is appointed by the VSF Trustees as the VSF Executive Director. *The Code of Virginia §2715.G. designates the DVS Director of Finance to serve as the Foundation Treasurer.*

## **J2.6 Policy**

- A. ~~It is the policy of~~ VSF and DVS ~~to~~ **shall** promote mutual support of each other and their activities in order to provide additional veterans services to eligible Virginia-domiciled veterans and their families in honor of veterans' service and sacrifice to the Commonwealth and the nation.
- B. *All VSF-DVS Joint Policies shall be reviewed at least every two years to ensure their currency and updated when required.*
- C. *VSF and DVs shall adhere to the Donor's Bill of Rights contained in Appendix A.*

## **J2.7 Operational Responsibilities**

- A. The VSF Executive Director is responsible for ensuring the efficient and effective administration and operation of the Foundation and its Fund. In such capacity, the Executive Director acts as the VSF Board Secretary and Agent of the Foundation Trustees. The Executive Director also is responsible for supporting the Foundation's Trustees and supervising other personnel (e.g., staff, volunteers, donors, etc.) who are involved in Foundation operations.
- B. The Executive Director works in close coordination with the DVS Director of ~~Policy and Planning Development~~ and the DVS Director of Finance, who acts *respectively* as the *trustees' Board Secretary* and Treasurer of the Fund.
- C. Foundation communications are coordinated by the VSF Executive Director with the DVS Director of Communications.
- D. The Executive Director is authorized to coordinate VSF administration and operations with DVS activities, including DVS benefits services, care centers, cemeteries, wounded warrior program, veterans' education, and other DVS veterans programs. The VSF Executive Director also is authorized to have direct liaison with the Chairmen of the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations in consultation with the DVS Director of Policy and Planning.
- E. *The Executive Director shall be assisted in carrying out his duties by the Foundation Secretary and Treasurer who shall be considered Deputy Executive Directors.*

## **J2.8 VSF Executive Director**

- A. *Executive Director Selection: The Executive Director shall be selected from a group of eligible candidates recruited through the Virginia Department of Human Resources Management Policy 2.10 – Hiring. The selection panel shall consist of at least four Trustees, one of which shall be the Board Chair, and the Department Commissioner. Once selected by the Foundation Trustees panel, the Executive Director shall be hired by the Department in accordance with §2.2-2715.E.*
- B. The VSF Executive Director reports to the Trustees Chairman and is chief administrator of the Foundation. The Trustees Chairman shall submit an evaluation of the Executive Director annually in June to the DVS Commissioner.
- C. The Executive Director's duties include:
  - 1. Support the efforts of VSF to seek, promote, and stimulate contributions to the Fund, including:
  - 2. Manage the Foundation's finance (e.g., accountability) initiatives in collaboration with DVS Director of Finance and DVS finance staff. This includes making sub-fund adjustments within

subsidiary accounts in the annual budget in accordance with funding levels established by the current edition of the Appropriations Act and Department of Planning and Budget adjustments to those funding levels. Any changes shall be subject to review and subsequent approval by the Trustees at the next quarterly Board meeting.

3. Develop VSF and DVS policies and procedures related to mutual support of both agencies.
4. Serve as VSF and DVS daily point of contact and coordination for development activities with public and private development related organizations and other interested activities.
5. Attend VSF Trustees meetings as an ex-officio, non-voting participant and Trustees Committee meetings as a non-board advisor.
6. Report activities to the Trustees as required, but at least at every Board meeting.
7. Ensure Foundation reports are submitted as required.
8. Perform other coordination and duties as necessary to support the mission and authority of VSF.

## **J2.9 Secretary**

- A. *The Secretary shall be the Department Director of Development who shall be appointed by the Board of Trustees with the concurrence of the DVS Commissioner. The incumbent may be assisted by such department staff as required. The Secretary to the Board shall be considered an agent of the Board to act in the Foundation's behalf and only shall perform those duties and have such powers as designated by the Board in accordance with section 10.01 of the trustees' bylaws.*
- B. *The Secretary's duties shall include:*
  1. *Serve as the recording and corresponding Secretary of the Board of Trustees.*
  2. *Keep a true record of the Board's proceedings.*
  3. *Act as custodian of the Board minutes and other records in conjunction with DVS staff involved in maintain such records.*
  4. *At the Board Chair's request, communicate notice of meetings to trustees and other responsible and interested personnel.*
  5. *Post the minutes of the meetings to the Commonwealth calendar and the websites of the DVS and VSF on accordance with §2.2-3707.1 of the Code of Virginia.*
  6. *Initiate or respond to correspondence of interest and required of the Foundation.*
  7. *Act as Deputy Executive Director when required by the Executive Director or Board Chair.*

## **J2.10 Treasurer**

- A. *The Treasurer shall be the Department Director of Finance in accordance with §2.2-2715.G. The incumbent may be assisted by such Department staff as required. The Treasurer shall be an agent of the Board to act on the Foundation's behalf and only shall perform those duties and have such powers as designated by the Board in accordance with section 10.01 of the trustees' bylaws.*
- B. *The Treasurer's duties shall include:*
  1. *Serve as financial officer of the Board of Trustees.*
  2. *Keep accurate, auditable records of financial transactions received, managed, allocated, and expended by DVS and the Board from the Veterans Services Fund.*
  3. *Keep VSF informed of DVS budgeting and financial activities.*
  4. *Submit a quarterly financial report to the Board and the DVS Commissioner on the Foundation's*

*funding levels and services.*

5. *Assist the Auditor of Public Accounts with Foundation audits.*

6. *Act as Deputy Executive Director when required by the Executive Director or Board Chair.*

## **J2.11 Financial Procedures**

- A. Expenditures for DVS activities approved by the Trustees may be processed upon approval by the head of the program that has responsibility for the activity.
- B. All requests for reimbursement of Trustees actual expenses incurred while attending meetings of the Trustees or performing other duties shall be approved by the VSF Executive Director.
- C. Expenditures for authorized VSF operations shall require the pre-approval of the VSF Executive Director.

## **J2.12 Reports**

- A. The Code of Virginia requires that the Foundation shall submit a quarterly report to the DVS Commissioner on the Foundation's funding levels and services (The Funding Levels and Services Report). This report is compiled with the assistance of the DVS Director of Finance and the DVS Finance Staff.
- B. The Funding Levels and Services reports consist of: an Asset Sheet; a Statement of Income, Expenditures, and Changes in Fund Balances; and a Schedule of Receipts, Expenditures and Budget by activity.
- C. Another report is compiled from information submitted by DVS programs to form the annual budget. Reports on expenditures shall be submitted quarterly, or as requested, to the DVS Commissioner, the Trustees, or others for review. These reports shall include under funded or unfunded needs, if any.
- D. The Foundation shall compile an annual report to the Secretary of Veterans and Defense Affairs and the DVS Commissioner that shall be made available to the public which will provide annual financials, donors, and related information on the status of VSF. This report will be published by 30 November of each year.
- E. These reports shall be available on the VSF website or on request from the Foundation Executive Director.

## **J2.13 Adoption and Amendment**

This policy may be adopted and amended by a majority vote of the VSF Board of Trustees after consultation with the Commissioner of Veterans Services. Notice regarding such actions shall be given to the Commissioner and all Trustees at least ten (10) days prior to the vote being taken. Biennial review of this policy is the responsibility of the VSF Executive Committee.

## **J2.14 Policy Effective Date**

The effective date of the policy, or policy revision, shall be the date the VSF Trustees and the DVS Commissioner ratify the policy. Revised May 4, 2011, May 1, 2013, August 6, 2014, **August 3, 2016.**

May 6, 2009

# **VIRGINIA VETERANS SERVICES FOUNDATION VIRGINIA DEPARTMENT OF VETERANS SERVICES**

## **Foundation Operations Policy and Procedures**

### **Appendix A**

#### **Donors' Bill of Rights\***

To ensure that the Veterans Services Foundation (VSF) and the Department of Veterans Services (DVS) merit the respect and trust of the general public, and that donors and prospective donors can have full confidence in VSF and DVS and the causes they support, all donors have the following rights:

1. To be informed of the missions VSF and DVS and the way they intend to use donated resources and their capacity to use donations effectively for their intended purposes.
2. To be informed of the identity serving on the VSF governing board and the DVS policy and advisory boards, and to expect the boards to exercise prudent judgement in their stewardship responsibilities.
3. To have access to the VSF and DVS most recent financial statements.
4. To be assured the donors' 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 contributors' donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing the VSF and DVS will be professional in nature.
8. To be informed whether those seeking donations are volunteers or employees VSF or DVS or hired solicitors.
9. To have the opportunity for donors' names to be deleted from mailing lists and not shared with other philanthropic organizations.
10. To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

\*Adapted from the Donor Bill of Rights Developed and Endorsed by the Association of Fundraising Professionals and other like-minded philanthropic associations.

## **ATTACHMENT 14**

VIRGINIA VETERANS SERVICES FOUNDATION  
VIRGINIA DEPARTMENT OF VETERANS SERVICES  
Veterans Services Fund – Fundraising  
Policy and Procedures  
DRAFT

### **J3.1 Purpose**

- A. Planning and coordination are essential to successful fundraising and to avoid duplication in approaching potential donors in the name of the Virginia Veterans Services Foundation (VSF) and the Virginia Department of Veterans Services (DVS).
- B. To preserve the credibility and integrity of VSF and DVS among their financial supporters and the public, as well as to optimize resources and protect respective DVS marks/logos/brands, this policy will serve to govern all private fundraising made on behalf or in support of VSF and DVS and/or activities belonging to these two agencies and groups affiliated therewith.
- C. In the interest of promoting maximum effectiveness and avoiding duplication of effort, conflict of events, and dilution of effectiveness, all fundraising sponsors are required to receive prior approval of their initiatives from the VSF Executive Director and a member of DVS responsible for the DVS program being supported.

### **J3.2 References**

This policy is made in accordance with Va. Code §§ 2.2-2715 et seq, the DVS-VSF Memorandum of Understanding, and the VSF Bylaws.

### **J3.3 Application**

The Executive Director of the VSF and the DVS Commissioner or their designee(s) shall be responsible for the application of this policy.

### **J3.4 Interpretation**

The Chairman of the Board of Trustees of the VSF (the Trustees), with the assistance of the Commissioner of Veterans Services, is responsible for the interpretation of this policy.

### **J3.5 Policy**

- A. VSF, in coordination with DVS, shall oversee and ensure that the establishment of fundraising priorities and oversight of private fundraising rests with the VSF Trustees. The Trustees' Development Committee, under the Trustees Bylaws, is responsible for making recommendations regarding fundraising and organizing fundraising programs. The Trustees have designated the VSF Executive Director as having oversight of private fundraising activities. The VSF Executive Director shall assist the Development Committee plan, organize, and conduct programs to obtain private gift support.
- B. DVS, in coordination with VSF, shall allow DVS activities (i.e., care centers, cemeteries, etc.) to accept unsolicited donations on behalf of VSF to be deposited in the Veterans Services Fund (the Fund) *as set forth in VSF-DVS Joint Policy #4 – Processing of Financial Donations*.

- C. All plans for DVS fundraising activities involving the solicitation of funds or in-kind material shall be coordinated through the VSF Executive Director on behalf of the VSF Trustees' Development Committee and the DVS Commissioner or their designees. These plans must be approved by the VSF Executive Director on behalf of the VSF Trustees' Development Committee. The Commissioner or his/her designee shall be regularly updated on all approved plans. Exceptions to this policy for approval of recurring events may be granted by the Commissioner or his/her designee in consultation with the VSF Executive Director.
- D. All non-DVS activities, persons, and groups wishing to raise private fund gifts for DVS veterans programs or services shall be required to receive prior VSF approval before engaging in planning or conducting such activities to preserve the credibility and integrity of VSF, DVS, and the activity sponsors among their financial supporters as well as the public and optimize resources. Exceptions to this policy for approval of non-DVS events may be granted by the VSF Executive Director.
- E. VSF reserves the right to refuse donations.
- F. DVS and VSF trustees, employees, affiliated agency personnel, or volunteers shall not accept cash donations or serve as collection agents at any fundraising event conducted on behalf of VSF, DVS, or DVS programs by other activities, organizations, or individuals.
- G. DVS and VSF trustees, employees, affiliated agency personnel, or volunteers shall not accept honorariums or other pay for services they provide as employees of the Commonwealth, however, such honorariums or pay for services may be made to the VSF as donations for use in the DVS program of the donor's choice.

### **J3.6 Authorization to Conduct Fundraising**

- A. VSF Executive Director must approve all persons or groups wishing to raise private fund gifts for veterans programs or services provided by DVS or, VSF ~~endowment~~ *non-general* or support funds, or other authorized veterans programs or services. All of these private fundraising efforts shall adhere to VSF approved policies and guidelines.
- B. No individual, group, or DVS activity shall solicit funds in the name of or on behalf of VSF or DVS unless they have organized and coordinated such activities with the VSF Executive Director on behalf of the VSF Trustees' Development Committee. Such coordination shall begin before making formal contact with a funding source or sources. This coordination shall continue until the specific fundraising event or series of events are concluded. Once an event is concluded, it shall not be used to initiate another fundraising effort without pursuing approval of all interested parties set forth in the foregoing.

### **J3.7 Fundraising Authorization Procedures**

- A. VSF shall coordinate all of its fundraising activities with the Commissioner of Veterans Services and/or his/her designee(s).
- B. All DVS requests to plan and execute fundraising activities in support of any DVS activity shall be presented to the Commissioner of Veterans Services through the DVS Director of Development for DVS activities.

1. Each request shall include sufficient detail to adequately define the scope of the initiative. Appendix A contains a brief outline of a typical request. Appendix B contains additional information that may be requested.
  2. For currently approved, on-going DVS fundraising activities, latitude shall be considered in applying this requirement.
  3. If the Commissioner favorably endorses the request, it shall be forwarded to the VSF Executive Director for approval on behalf of the VSF Trustees' Development Committee.
- C. All other persons or groups wishing to raise private fund gifts for DVS veterans programs or services shall designate a sponsor who shall submit a request to plan and execute activities for VSF approval before engaging in planning or conducting such activities.
1. The request shall contain sufficient detail to adequately define the scope of the initiative. Appendix A can be used as an outline for a typical request. A completed Appendix B may be required as circumstances dictate.
  2. Requests shall be submitted for individual events or multiple events that are related.
  3. Requests shall contain acknowledgement that the event sponsor generating multiple donations from many individuals shall meet the stewardship requirement of acknowledging the individual gifts with receipts or thank-you letters.
  4. Requests shall be submitted to the VSF Executive Director who shall follow the procedures contained in the preceding paragraphs for approval to promote maximum effectiveness and avoid duplication of effort, conflict of events, dilution of effectiveness, and maintain the integrity of DVS programs and services.
- D. Approved fundraising requests shall be expeditiously provided to the requestor. The approval, if appropriate, shall contain additional guidance for the conduct of the initiative and/or restrictions that may apply. Most fundraising events conducted by non-state government organizations or individuals will require a "Letter of Agreement" or LOA from the VSF Executive Director. Letters of Agreement shall conform to Office of the Attorney General requirements and guidance. An example of such a letter is at Appendix C.
- E. Donors wishing to give unsolicited gifts in support of VSF or DVS and its programs and services shall be referred to the VSF Executive Director.

### **J3.8 Procedures for Accepting Donations**

Trustees or DVS employees accepting donations on behalf of the Fund shall follow the procedures contained in VSF-DVS Joint Policy 4 – Processing of Financial Donations, VSF-DVS Joint Policy 5 – In-Kind Donations and VSF-DVS Joint Policy 11 – Planned Giving.

### **J3.9 Reporting Fundraising Results**

Upon completion of the fundraising event or initiative, when required the sponsor shall complete and submit a report to the VSF Executive Director detailing the results achieved. An outline of such a report is contained at Appendix D. DVS activities shall submit the report through the DVS Director of Development to the Commissioner and VSF Executive Director.

### **J3.10 Adoption and Amendment**

This policy may be adopted and amended by a majority vote of the VSF Board of Trustees after consultation with the Commissioner of Veterans Services. Notice regarding such actions shall be given to the Commissioner and all Trustees at least ten (10) days prior to the vote being taken. Biennial review of this policy is the responsibility of the VSF Development Committee.

### **J3.11 Policy Effective Date**

The effective date of the policy, or policy revision, shall be the date the VSF Trustees and the DVS Commissioner ratify the policy. Revised: May 4, 2011, May 1, 2013, August 6, 2014, August 5, 2015, November 4, 2015, **August 3, 2016**.

May 6, 2009

**VIRGINIA VETERANS SERVICES FOUNDATION**  
**Veterans Services Fund – Fundraising Request**

**Appendix A**

**REQUEST TO CONDUCT FUNDRAISING ACTIVITIES**

**PLEASE PROVIDE ALL OF THE FOLLOWING INFORMATION TO  
THE VIRGINIA VETERANS SERVICES FOUNDATION**

1. Type of Event(s) and Event(s) Title:
2. Name of the Sponsoring Organization and Mailing Address:
3. Sponsoring Organization's Authority (e.g., incorporated in Virginia, 501 (c) (3) organization, etc.):
4. Date(s) and Times of the Event(s):
5. Location(s) of the Event(s) (Facility Name(s) and Street Address(s)):
6. Point(s) of Contact for Event (s) Planning (Name(s), Address(s), Phone & Cell Numbers, (Email Addresses):
7. Event(s) Open to the Public?
8. Website(s) on which Event(s) will be Posted:
9. What percent or amount of the net proceeds, less expenses, will be donated?
10. Support from the Department of Veterans Services Expected:
11. Other Information Considered Appropriate:
12. Event(s) Flyers/Brochures and Other Advertising (When Available).

**VIRGINIA VETERANS SERVICES FOUNDATION**  
**Veterans Services Fund – Fundraising Request**

**Appendix B**

**REQUEST TO CONDUCT FUNDRAISING ACTIVITIES**

Requests to conduct fundraising activities shall contain the following elements.

1. Identity and authority (e.g., 501 (c) (3), registered in Virginia, etc.) of the fundraising organization.
2. Purpose of the fundraising activity to be conducted.
3. Timelines involved including the start and end dates.
4. Capabilities and limitations of the fundraising organization.
5. Number and identity of volunteers.
6. Identification of donor groups for targeting the fundraising effort.
7. List the fundraising methods to be employed.
8. Specify the public relations program and advertising/marketing plan associated with the fundraising effort.
9. Provide an estimate of fundraising costs detailed by function\*.
10. Provide an estimate of expected revenue to include milestones to achieve objectives.
11. Specify the support required from state agencies.
12. Procedures for assuring accountability of funds collected.
13. Procedures for assuring donor satisfaction.
14. Implementation agenda.

***The requestor acknowledges that the event sponsor generating multiple donations from many individuals shall meet the stewardship requirement of acknowledging the individual gifts with receipts or thank-you letters. (This requirement may be waived by mutual agreement between the event sponsor and the Foundation Executive Director.)***

\*See Appendix D (Report of Fundraising Activities) to VSF-DVS Joint Policy Number 3 for details by function.

**VIRGINIA VETERANS SERVICES FOUNDATION**  
**Veterans Services Fund – Fundraising Request**

**Appendix C**

**EXAMPLE OF A STANDARD LETTER OF AGREEMENT (LOA)**

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**SPONSORING ORGANIZATION'S LETTERHEAD**

**PRIVILEGED AND CONFIDENTIAL**

Date

[Name of the Foundation Executive Director]  
Executive Director  
Veterans Services Foundation  
900 East Main Street, 6th Floor  
Richmond, Virginia 23219

Dear Sir,

This Letter of Agreement (Agreement) sets forth the understanding between [name of sponsoring organization and mailing address] and the Virginia Veterans Services Foundation (VSF), a state agency and a Virginia nonprofit corporation. The VSF is a separate agency and not part of the Virginia Department of Veterans Services (DVS) but operating in direct support of DVS, with their principal places of business at 900 East Main Street, 6<sup>th</sup> Floor West, Richmond, Virginia 23219. This Agreement covers an event and fundraiser [name type of fundraiser] (Program) that [name of sponsoring organization] will be conducting at [location] on [date(s)].

1. With this Program [name of sponsoring organization] offers VSF the ability to increase the public awareness of VSF's programs and to provide a means for raising funds to support the work of VSF. [Name of sponsoring organization] has chosen VSF to participate in this Program and by signing this Agreement [name of sponsoring organization] agrees to participate in the Program on the terms and conditions set forth below.
2. To facilitate the VSF's efforts to increase its public awareness and support the mission of VSF, [name of sponsoring organization] agrees to donate the proceeds [or a portion of the proceeds, less expenses] from the Program to the VSF in support of the Virginia Veteran and Family Support program (VVFS) [site appropriate DVS program supported if not VVFS] within thirty (30) calendar days of the Program conclusion.
3. Should the Program fail to generate a profit, which would be used for the contribution, [name of sponsoring organization] agrees to provide one percent (1%) of the gross revenue received from the Program or \$50.00, whichever is the lesser amount, to VSF to preserve the advertising integrity of each Program within thirty (30) calendar days of the completion of the Program.
4. [Name of sponsoring organization] will communicate to donors that [name of sponsoring organization] is proudly contributing the proceeds [or a portion of the proceeds, less expenses] from the Program to VSF in support of the [Name of the DVS program, such as Virginia Veteran and Family Support (VVFS) Program or Virginia Values Veterans (V3) Program].

5. Within thirty (30) days of receipt of the donation from [name of sponsoring organization] Program, VSF will provide [name of sponsoring organization] with written confirmation of the total amount of [name of sponsoring organization] donation, of which 100% will go to Virginia's needy veterans and their families, and acknowledge that no goods or services were provided to [name of sponsoring organization] in exchange for the donation. No donated funds are used by VSF for administration, staff, and fundraising.

6. Subject to the terms and conditions of this Agreement, each Party hereby grants to the other Party a revocable, limited, non-exclusive, non-transferable, royalty free license to use certain Marks, in this case the [Name of DVS Program] Logo, during the term of this Agreement. Each Party agrees to provide to the other Party, at least ten (10) days in advance of any distribution, display or publication of any materials using the other Party's Licensed Marks, copies of such materials for review and approval by the other Party. No Licensed Marks of [name of sponsoring organization] may be used by VSF without the prior written authorization of [name of sponsoring organization] (i.e., a written authorization separate from this Agreement). Each Party agrees that it is granted only the limited right to use the Licensed Marks specified herein. Further, neither Party shall alter the Licensed Marks except as the other Party may approve in writing in advance. All use of the Licensed Marks shall conform to proper trademark usage, including but not limited to, using the trademark symbols where appropriate.

7. The VSF will recognize [name of sponsoring organization] as a corporate sponsor on the same basis and to the same extent that VSF recognizes other corporate sponsors in its written and other materials, where otherwise applicable.

8. The VSF warrants that donations may be exempt from federal income tax under Section 170 (c) (1) of the United States Internal Revenue Code and are exempt from state and local taxes under Section 2.2-2719 of the *Code of Virginia*.

9. The term of this Agreement shall be for [duration of the agreement; e.g., ninety (90) days] from the date of execution, unless earlier terminated by either Party upon written notice in accordance with paragraph 10.

10. Either Party may terminate the Agreement, with or without cause, upon giving the other Party thirty (30) days written notice with the following exceptions. [Name of sponsoring organization] may terminate this Agreement immediately upon written notice to VSF if (i) the VSF fails to maintain or loses its Section 170 (c) (1) status or (ii) its Section 2.2-2719 status in the *Code of Virginia* (iii) on VSF's material breach of this Agreement, or (iv) the gross negligence or willful misconduct of VSF, its employees or its agents. The VSF may immediately terminate this Agreement on written notice to [name of sponsoring organization] (i) on [name of sponsoring organization] material breach of this Agreement or (ii) the gross negligence or willful misconduct of [name of sponsoring organization], its employees, its agents, or its members.

11. Upon termination or expiration of the Agreement each Party shall cease using the other Party's Licensed Marks and any materials featuring the Licensed Marks, however, VSF and VVFS may state in writing or verbally that [name of sponsoring organization] has been a contributor.

12. [Name of sponsoring organization] exclusively shall be responsible for all of its costs associated with the Program and developing, producing, selling and fulfilling products ordered including advertisement and sales costs. The VSF, Department of Veterans Services, and any of their subordinate activities, employees, or agents shall not be liable for any losses incurred by [name of sponsoring organization] as a result of participation in the Program or product sales, except such losses that arise or result from (i) VSF losing or failing to maintain its Section 170 (c) (1) status or (ii) its *Code* Section 2.2-2719 status, (iii) VSF's breach of this Agreement, or (iv) the gross negligence or willful misconduct of VSF.

13. All safety precautions involved in the conduct of the Program are the exclusive responsibility of [name of sponsoring organization] and no liability shall be incurred by VSF, Department of Veterans Services or the [Name of DVS Program] for injuries or other liabilities resulting therefrom. [Name of sponsoring organization] hereby agrees to defend, save, and hold harmless the Commonwealth of Virginia, the Virginia Veterans Services Foundation, the Department of Veterans Services, and each of their respective Officers, Directors, Board Members, employees, independent contractors, attorneys, and any of their agents from all lawsuits, claims, costs (including reasonable attorneys' fees, expert witness fees, and expenses of litigation), personal injuries, deaths, and damages, resulting in whole or part from the Program and the acts or omissions of [Name of sponsoring organization], its employees, its agents, or its members with respect to the Program except such that arise or result from (i) VSF losing or failing to maintain its Section 170 (c) (1) status, (ii) its *Code* Section 2.2-2719 status, (iii) VSF's breach of this Agreement, or (iv) the gross negligence or willful misconduct of VSF.

14. Neither Party may assign its rights and/or delegate its obligations under this Agreement, in whole or in part, without the other Party's written approval.

15. The Parties to this Agreement do not intend to create a partnership, principal/agent, master/servant, employer/employee or joint venture relationship, and nothing in this Agreement shall be construed as creating any such relationship between the Parties.

16. The Parties hereby agree not to disparage or make any derogatory or false statements concerning each other, their directors, officers, or employees.

17. Nothing in this Agreement shall preclude [name of sponsoring organization] from conducting other fundraising drives during the period this Agreement is in effect.

18. Should [name of sponsoring organization] need to change the dates or location identified in the introductory paragraph of this Agreement due to circumstances beyond its control, this can be accomplished after notifying VSF and submitting the proposed changes in writing to VSF. Such written changes will be considered written modifications to the Agreement and will not require a new document.

19. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof. Any modification to this Agreement must be in writing signed by both Parties, paragraph 18 notwithstanding.

Please confirm the mutual agreement between [name of sponsoring organization] and VSF with above terms by having an authorized representative countersign both copies of this letter where indicated below, and return one copy of the countersigned letter to the undersigned.

Yours truly,

\_\_\_\_\_  
Name: [of responsible person for event]

Title:

Acknowledged and agreed on behalf of the Virginia Veterans Services Foundation:

Signature: \_\_\_\_\_

Name: [of Executive Director]

Title: VSF Executive Director

Date: \_\_\_\_\_

**Virginia Veterans Services Foundation**  
**Report of Fundraising Activities**  
Appendix D

**FUNDRAISING ACTIVITIES CONDUCTED BY ORGANIZATIONS  
ON BEHALF OF THE VIRGINIA VETERANS SERVICES FUND**

The report of fundraising activities shall be sent to the Virginia Veterans Services Foundation, 900 E. Main St, 6th Floor, West Wing, Richmond VA 23219 (Attn: VSF Executive Director) and shall include, as appropriate:

**INCOME**

Total Revenues Raised and Received

Total of Pledged Revenues Not Yet Received

Total Value of In-Kind Donations by Type:

- Advertising (by type of media)
- Beverages
- Catering
- Mailing
- Printing
- Professional Services
- Rental Space
- Travel & Lodging
- Other (List and Itemize)

**EXPENSES**

Total Expenses

Expenses by Category:

- Advertising (by type of media)
- Beverages
- Catering
- Mailing
- Printing
- Professional Services
- Rental Space
- Travel & Lodging
- Other (List and Itemize)

In-Kind Expenses (Should Equal In-Kind Income)

Fundraiser's Commission and its basis/rationale

Sponsoring Organization's portion of the income and its basis/rationale

**Please attach:**

- A list of financial donors, their contact info, amount of contribution, date received, and if receipt and thank you letter has been sent
- A list of in-kind donors, their contact info, amount of contribution, date received, and if receipt and thank you letter has been sent
  - A list of pledged donations by donor, contact info, amount of contribution, and expected date receipt of pledged revenues

## **ATTACHMENT 15**

### **VIRGINIA VETERANS SERVICES FOUNDATION VIRGINIA DEPARTMENT OF VETERANS SERVICES Veterans Services Fund – Processing of Financial Donations Policy and Procedures**

#### **DRAFT**

#### **J4.1 Purpose**

- A. The Virginia Veterans Services Fund (the Fund), administered by the Virginia Veterans Services Foundation (VSF), is a special non-reverting trust fund on the books of the Commonwealth Comptroller. The Fund includes such monies as may be appropriated by the General Assembly; revenues transferred from other state programs established for the Fund's benefit; revenues derived from contracts, grants, and other dedicated sources; and designated gifts, contributions and bequests of money, securities or other monetary property of whatever nature.
- B. This policy sets forth the procedures to be followed when receiving, recording, managing, and expending financial donations made to the Fund.

#### **J4.2 References**

This policy is made in accordance with Code of Virginia § 2.2-2718 and § 64.2-1100 et seq, the Department of Veterans Services (DVS) DVS-VSF Memorandum of Understanding, and the VSF Bylaws.

#### **J4.3 Application**

The Executive Director of the VSF and the DVS Director of Finance or their designee(s) shall be responsible for the application of this policy.

#### **J4.4 Interpretation**

The Chairman of the Board of Trustees of the VSF (the Trustees), with the assistance of the Commissioner of Veterans Services, is responsible for the interpretation of this policy.

#### **J4.5 Policy**

- A. VSF and DVS, in coordination with the Trustees Finance Committee and VSF Executive Director, shall oversee and ensure that monies collected are properly deposited, managed, and expended.
- B. Restricted gifts shall be used by DVS programs as intended by the donor to meet the necessities of needy veterans and their families.
- C. DVS and VSF trustees, employees, affiliated agency personnel, or volunteers shall not receive cash donations or serve as cash collection agents at any fundraising event conducted on behalf of VSF, DVS, or DVS programs by other activities, organizations, or individuals.

#### **J4.6 Definitions**

The definitions that apply to this policy, and may be applicable to other VSF-DVS Joint Policies, are contained in Appendix A.

#### **J4.7 Authorization to Receive Financial Donations**

Financial donations normally take the form of: (1) cash; (2) bank check or money order; or (3) bank card transaction via an on-line donation via the VSF Website. Cash and bank checks/money orders may be received in person or by mail with mail being the primary means of receipt for most donations. This policy primarily covers cash and bank checks/money orders received in person or by mail. Acceptance of cash donations is prohibited, but occasions arise when their receipt may be unavoidable, such as receiving cash in the mail. Such exceptions may be permitted by the Foundation Chairman or the VSF Executive Director according to the circumstances involved.

- A. Any Trustee may accept a financial donation, on behalf of the Fund.
- B. Designated employees of the Virginia Department of Veterans Services (DVS) also may accept financial donations on behalf of the Fund. The Commissioner of Veterans Services and DVS program directors/administrators shall designate in writing the principal DVS employees who may accept donations on behalf of the Foundation, subject to the approval of the Foundation Chairman or the VSF Executive Director in the absence of the Chairman. As a practical matter, it is understood that any DVS employee may actually accept a donation, but they shall be instructed to immediately give the donation to the designated principal DVS employee in their program.
- C. Each DVS program *with offices external to the Office of the Commissioner (e.g., Benefits field offices, Care Centers, Cemeteries, Virginia Veteran and Family Support program field offices)* receiving contributions shall establish **and follow** a policy for acceptance of financial donations similar to the one contained in Appendix B for the Office of the Commissioner. ***Policies shall be approved by the DVS program Director and DVS Director of Finance.*** A copy of program policy shall be filed with the DVS Director of Finance.
- D. ***Should contributions be received by the Office of the Commissioner (the Office) for Benefits field offices, Care Centers, Cemeteries, and Virginia Veteran and Family Support program field offices, the Office shall follow the procedures contained in Appendix B. A copy of the donation by check or money order shall be scanned and sent electronically to designated representatives identified by the program Directors for their records. Cash donations shall not be scanned. Program Directors shall be responsible for receipts/thank-you letters as described in this policy.***

#### **J4.8 Procedures for Accepting Financial Donations**

Trustees or DVS employees accepting a financial donation on behalf of the Fund shall take the following steps:

- A. Thank the donor for the generous gift and give the donor their personal business card.
- B. Coordinate with the donor or fundraising event sponsor so that they know that any check or money order presented must be made out to the Virginia Veterans Services Foundation with a notation in the “For” section of the check regarding the purpose of the contribution.
- C. If cash contributions must be received, ensure that the source and purpose of the donation is recorded and a receipt provided. ***A thank-you letter should follow, but in the case of cash contributions of any amount a written receipt shall be provided at the time the donation is received.***
- D. Should the purpose of the donation appear to have unforeseen consequences, such as requiring ongoing expenditures, the recipient shall contact either the DVS Director of Finance or the VSF Executive Director ***to determine if it should be accepted.*** See section J4.9.B of this policy.

- E. Complete VSF-DVS Financial Donation Receipt (see Appendix C) acknowledging receipt of the donation. ***For cash donations a Financial Donation Receipt is required when receiving the donation. For check or money order contributions, a thank-you letter with an Internal Revenue Code entry (see paragraph J4.9.E.3 of this policy) can suffice.*** Forward one copy of the receipt ***or thank-you letter (if used as a receipt)*** to the Commissioner's Office ***electronically*** for VSF/DVS records, retain one for local records, and provide one to the donor.
- F. On the same day received, forward the check, along with the donor's name, address, and instructions regarding the disposition and use of the donation, to:
1. For the Foundation ~~Endowment~~ ***Non-General Fund***, Support Fund, and Benefits, ***Virginia Veterans Cemeteries***, V3, Virginia Veteran and Family Support, and other DVS Programs except care centers ~~and cemeteries~~:
    - Virginia Veterans Services Foundation
    - Executive Director
    - 900 East Main Street, 6th Floor
    - Richmond, Virginia 23219
  2. For the ~~Virginia Veterans Cemeteries and~~ Sitter & Barfoot Veterans Care Center:
    - Virginia Department of Veterans Services
    - Sitter & Barfoot Veterans Care Center
    - Financial Manager
    - 1601 Broad Rock Blvd
    - Richmond, VA 23224
  3. For the Virginia Veterans Care Center:
    - Virginia Department of Veterans Services
    - Virginia Veterans Care Center
    - Financial Manager
    - 4550 Shenandoah Ave NW
    - Roanoke, VA 24017
- G. If contributions cannot be forwarded on the same day received, they shall be retained in a locked container until they can be forwarded. This is particularly true of cash. In any case, the Department of Accounts requires that donations must be forwarded within the next business day.
- H. Large amounts of cash shall not be received, if they cannot be deposited the same day received.
- I. Cash donations shall not be scanned for any purposes.***
- J. A personal thank-you call to the donor shall be made for donations of \$1,000 or over on receipt of the donation.

## **J4.9 Recording Financial Donations**

Upon receipt of a financial donation, the DVS Director of Finance or his/her designee shall.

- A. Record the donation on the Fund spreadsheet in the appropriate account.
- B. Determine if ongoing expenditures will be required to maintain the object that results from the purpose of the donation and if the maintenance cost is sustainable. For example, an aquarium and its contents

have a fixed procurement price, but the annual maintenance may exceed the cost of honoring the intent of the donation. In such cases, an assessment must be made, in conjunction with the donor, regarding disposition of the donation.

- C. Forward the check to the finance staff person responsible for deposits in the Fund.
- D. E-mail the donor's name, organization, and address, the amount of the donation and the intended purpose of the donation to the VSF Executive Director so that VSF has a record of the transaction.

**E. Thank-you Letters**

1. Thank-you letters must be prepared for all contributions. In the case of fundraising events where multiple donors are involved, individual thank-you letters shall be sent to donors by the event sponsors. DVS activities, except VVFS, that prepare thank-you letters, shall retain a copy and made them available at the request of the VSF Executive Director or the DVS Director of Finance.
2. The VSF Executive Director and DVS activity staff responsible for preparing thank-you letters shall ensure that a thank-you letter is sent to the donor within 10 working days of the donation's deposit.
3. The Internal Revenue Code requires that donations of \$250.00 and over be acknowledged in a receipt or thank-you letter with the following statement: "No goods or services were provided to you in return for your donation. Therefore the full amount of your contribution is tax-deductible to the extent allowed by law." If goods and services were provided, they must be deducted from the amount of the contribution received and so noted in the statement. ***The statement contained Appendix C regarding section 170 (c) (1) shall be used in all thank-you letters regardless of the amount received.***

**J4.10 Managing Financial Donations**

Financial donations shall be managed as follows:

- A. All contributions shall be considered donations contributed for a specific program or activity.
- B. All balances in the Fund shall be maintained in an interest bearing account. Interest income generated by the Fund shall accrue to the Foundation ~~Endowment~~ **Non-General** Fund, unless otherwise directed by the Trustees.
- C. Upon completion of the activity for which funds were donated, the unspent portion of donations made for a specific activity shall be transferred to a related program fund or the Foundation ~~Endowment~~ **Non-General** Fund at the discretion of the Trustees. Procedures are contained in VSF-DVS Joint Policy Number 9 (Subsidiary Fund Balances).
- D. At the end of each fiscal year, VSF shall review remaining activity account balances to determine their continuing need. DVS programs shall justify sub-fund retention or recommend redistribution of excess funds within the program. At the discretion of the Trustees, unneeded amounts shall be reallocated. Procedures are contained in VSF-DVS Joint Policy Number 9 (Subsidiary Fund Balances).
- E. The DVS Director of Finance shall assist VSF in preparing quarterly reports to the VSF Trustees ***from the monthly reports provided to the VSF Executive Director.*** These reports shall contain statements and schedules, as appropriate to identify the status of all monies deposited and expended in the Fund. Reports may be required more frequently by the Trustees. These reports will form the basis of a Foundation annual report.

#### **J4.11 Veterans Services Fund**

- A. The accounts and records of the Foundation showing the receipt and disbursement of funds from whatever source derived shall be established by the Department of Accounts and Auditor of Public Accounts in a manner similar to other organizations. The Auditor of Public Accounts or his legally authorized representative shall annually audit the accounts of the Foundation, and the cost of such audit services shall be borne by the Foundation in accordance with §2.2-2717 of the Code of Virginia.*
- B. The Veterans Services Fund operating structure shall allow for separate current and non-current funds for annual operations as set forth in the Appropriations Act, reserves, specific funds for stand-alone projects, and endowments primarily to provide funding for Department veterans programs and services. It also funds for Foundation operations to support veterans programs and services and is not an auxiliary or reserve fund for the Department or Foundation. Descriptions of the funds can be found in Appendix D and correspond with those contained in Appendix A.*
- C. The basic Fund structure to be used in the monthly and quarterly reports is as follows:*

**Current**

Annual Funds (Operating Funds):

*Foundation Support Fund  
Annual Program Funds  
Grants  
VSF Specific Funds for DVS Projects*

Specific Funds (Designated Funds)

*Grants  
VSF Specific Funds for DVS Projects*

**Non-Current**

Reserve Funds

*Foundation Non-General Funds  
Reserve Program Funds*

Endowment Funds

#### **J4.12 Appropriating, Allocating, and Expending Financial Donations**

- A. Funds must be allocated by the current edition of the Appropriations Act and the Department of Planning and Budget (DPB) before they can be expended. Expenditures may be approved from the Fund as outlined in the VSF Bylaws and applicable VSF and DVS policies on expenditures. The allocation procedure for annual and special allocations to supplement annual allocations follows.*
- B. The appropriation and allocation process includes approval of priorities, establishing measurement metrics, measuring program performance, and obtain quantitative and qualitative results. These results are used to assess each program's ability to meet specified objectives that contribute to established DVS and VSF goals as calculated by each programs' to use resources effectively. The information developed is used to determine how resources will be allocated in the biennium budget process for distribution of donated revenue. This is called Performance Budgeting or Performance Based Budgeting and is described in greater detail in Appendix E.*

C. The following procedures assume that donated funds are on hand to be spent. If funds are not available, they cannot be allocated or spent. The exception to the allocation process occurs when a new program is introduced and a fundraising goal is set in the Appropriations Act. There are no exceptions to spending funds that are not available.

D. The formal budgeting and allocation process, which cannot be abridged, follows:

1. DVS Programs determine a need for funds during the current year for the next FY
2. DVS approve/modify/disapprove the need
3. VSF Trustees approve/modify/disapprove the need and recommend a fund allocation
4. DVS forwards the funding request to DPB for analysis and approval/modification/ disapproval
5. Governor includes the allocation in the proposed annual budget for the next FY
6. The General Assembly approves/modifies/disapproves the allocation
7. The Governor approves/modifies/disapproves the allocation
8. If approved by the General Assembly and Governor, the allocation is placed in the annual Appropriations Act
9. VSF makes the allocated funds available to DVS for expenditure after July 1 of the next FY
10. VSF publishes expenditure policy and monitors expenditures on a monthly basis to ensure they are in accordance with the donor's wishes and published policy

E. Budget adjustments during the fiscal year are made through the following process:

If during the next FY the DVS Program needs additional funds they forward that need to DVS

1. DVS approves/modifies/disapproves the request
2. VSF Trustees approve/modify/disapprove the need and recommend a fund allocation
3. DVS forwards the funding request to DPB for analysis and approval/modification/disapproval
4. DPB approves/modifies/disapproves the request
5. VSF makes the allocated funds available to DVS for expenditure before the end of the FY
6. VSF monitors expenditures on a monthly basis the ensure they are in accordance with donor's wishes and published policy

F. Every annual budget allocation and midyear allocation adjustment must be approved by the VSF Trustees before DPB will take any action on the request.

G. If contingency funds are needed, VSF has about \$50,000 that can be spent on a reimbursable basis by DVS, if approved by the DVS Director of Finance and the VSF Executive Director.

***H. The Fund shall be used solely for the purposes of carrying out the applicable provisions of §2.2-2715 et seq. Expenditures of donated restricted funds shall be in accordance with the provisions of §§ 64.2-1100 through 64.2-1104 of the Code of Virginia. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written authorization Executive Director and approval of the Board.***

#### **J4.13 Adoption and Amendment**

- A. This policy may be adopted and amended by a majority vote of the VSF Board of Trustees after consultation with the Commissioner of Veterans Services. Notice regarding such actions shall be given to the Commissioner and all Trustees members at least ten (10) days prior to the vote being taken.
- B. Biennial review of this policy is the responsibility of the VSF Finance Committee.
- C. On adoption, this policy supersedes DVS Administration Policy 23 and replaces DVS Forms 12, 14, and 21 with VSF-DVS Form A (Appendix B).

#### **J4.14 Policy Effective Date**

The effective date of the policy, or policy revision, shall be the date the VSF Trustees and the DVS Commissioner ratify the policy. Reviewed May 4, 2011, May 1, 2013, August 6, 2014, November 4, 2015, March 30, 2016, May 4, 2016, *August 3, 2016*.

May 6, 2009

# VIRGINIA VETERANS SERVICES FOUNDATION VIRGINIA DEPARTMENT OF VETERANS SERVICES

## Veterans Services Fund – Acceptance of Financial Donations

### Appendix A

#### DEFINITIONS

These definitions apply to this policy and may be applicable to other VSF-DVS Joint Policies.

**Account:** As used by VSF, a financial account (i.e., a record of financial transactions showing receipts and expenditures for a given period) is maintained for each of the principal subordinate programs of DVS.

**Activity:** It is a function (i.e., a set of operations including special services, projects, events, etc.) that a DVS principal subordinate program performs and has a purpose recognized for authorization of use of VSF funds.

**Agency:** This is the administrative unit of state government, including any department, institution, commission, board, council, authority, or other body. VSF and DVS are state agencies that report to the Secretary of Veterans and Defense Affairs. The Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations also are considered state agencies, however, they report to the Commissioner of DVS.

**Business Units of DVS:** See Principal Subordinate Programs of DVS.

**Charitable Purpose:** Means the promotion of a governmental purpose for the public good which is beneficial to the community.

**Designated Special Funds:** A term used in the Appropriations Act to identify donor funds and grants and the allocation there of for authorized expenditures.

**Divisions of DVS:** See Principal Subordinate Programs of DVS.

**Endowment Fund:** Means an institutional (i.e., VSF) fund or part thereof that is not wholly expendable by the institution on a current basis. The term does not include assets (usually restricted funds) that an institution designates as an institutional fund. The funds may be unrestricted or restricted. If restricted, their principal usually cannot be spent at all, and only a specified percent of the interest they earn can be spent per year. There may be restrictions on how the interest can be spent.

**Fiscal Year (FY):** From 1 July through 30 June of the next year defines the state Fiscal Year.

**Fund:** The “Fund” is the Veterans Services Fund, which includes subsidiary funds for each of the DVS principal subordinate divisions or programs.

**Institution:** A government subdivision, agency, or instrumentality to the extent that it holds funds exclusively for charitable purposes; i.e., VSF.

**Institutional Fund or Reserve Fund:** Means a fund (subsidiary fund usually a restricted fund) held by an institution (VSF) exclusively for charitable purposes. It does not include Program-related Assets.

**Principal Subordinate Programs of DVS:** Include Cemetery Operations, Sitter & Barfoot Veterans Care Center, Virginia Veterans Care Center, and the Virginia Veteran and Family Support Program, and others that may be developed and affected by VSF operations.

**Program:** An operational term for a principal subordinate division of DVS or other state agency programs.

**Program-related assets or Annual Fund:** Assets (subsidiary and sub-funds usually restricted) which are held by an institution (VSF) primarily to accomplish a charitable purpose of the institution (VSF) and DVS and not primarily for investment.

**Report:** This is a written response to a request for information and may include financial schedules and statements or other data.

**Restricted Funds:** A reserve of money that can only be used for specific purposes. Restricted funds provide reassurance to donors that their contributions will be used in a manner they have chosen. When a donor gives money to VSF, they may specify that it be temporarily restricted to be used for a certain purpose, or permanently restricted so that the donation acts as principal on which interest can be earned and only the interest can be spent.

**Schedule:** A schedule contains financial information, usually at a more detailed level than the following definition of "statement." An example is the Schedule of Receipts, Expenditures, and Budget that contains financial information on DVS Programs and their activities.

**Service:** This is an operational term for DVS principal subordinate programs' activities performed in support of a specific DVS program.

**Specific Fund:** Means those restricted funds specified for a specific requirement that DVS is pursuing that are (1) not part of DVS programs' Annual Funds; (2) may involve more than one DVS program; and/or (3) include other state agencies.

**Statement:** A statement refers to a financial statement. Current statements include a Balance Sheet, and a Statement of Revenues and Expenditures. Other financial statements may be defined, as the needs of the users change.

**Sub-fund:** This term is used to denote financial accounts that support the activities/ services of DVS programs. These also are called sub-accounts for accounting purposes.

**Subsidiary Fund:** These are the principle subordinate funds of the Veterans Services Fund and pertain to the funds of each of DVS principal programs.

**Unrestricted Funds:** These funds may come from state appropriations or donations that are available for VSF to use for any purpose. Unrestricted funds usually are used for operating expenses of VSF or to a particular project that VSF picks. Only the state executive and legislative branches or the donor can determine if an appropriation or donation is restricted or not. The designation is made by legislation or a letter from the donor or through explicit agreement with VSF. Exceptions could be when donors are asked to give to a capital campaign, a building fund, or a relief fund.

# VIRGINIA VETERANS SERVICES FOUNDATION VIRGINIA DEPARTMENT OF VETERANS SERVICES

## Veterans Services Fund – Acceptance of Financial Donations

### Appendix B

#### PROCEDURES FOR HANDLING DONATIONS RECEIVED AT THE OFFICE OF THE COMMISSIONER OF VETERANS SERVICES

DRAFT TO BE REVISED OCTOBER 2016

1. The purpose of this policy is to ensure proper action is taken on issues involving the Veterans Services Foundation (VSF) and donations thereto, as agreed between the: Department of Veterans Services (DVS) Commissioner; Deputy Commissioner: Director of Finance/VSF Treasurer (DF); Development Director; VSF Executive Director; Director of Benefits; Director of Education, Training, and Employment; and the Director of the Virginia ~~Wounded Warrior~~ *Veteran and Family Support* program.
2. The address to which donations (*whether check, money order, cash, or other negotiable instrument, hereafter, referred to as checks*) to VSF should be sent is the DVS Commissioner's office in Richmond for VSF and Program credibility.
3. The person initially receiving mail shall date stamp each piece before distributing it to the recipients as follows:
  - a. Mail received by the Commissioner's office addressed to VSF or the DVS Development Director/VSF Executive Director shall be delivered to the Commissioner/Deputy Commissioner's Confidential Assistant (CA) who has the authority to receive and open such mail.
  - b. Mail received by the Commissioner's office addressed for Benefits and other DVS activities shall be delivered to the responsible agents designated to open mail. Such mail shall be opened expeditiously and donation checks with supporting documents including the envelope immediately shall be copied for the agency records and the check immediately delivered to the CA or Virginia Veteran and Family Support program (VVFS) Executive Assistant for delivery for deposit. *Cash donations shall not be scanned for any reason.*
  - c. Mail received in the Commissioner's office addressed to the Virginia Veteran and Family Support program (VVFS) shall be delivered to the VVFS Executive Assistant who has authority to receive and open such mail.
  - d. The Commissioner, Deputy Commissioner, and VVFS Executive Assistant have de facto authority to open mail and receive checks in the absence of the CA.
  - e. The Director of VVSF also is authorized to receive and open mail addressed to VVSF in the absence of the VVSF Executive Assistant.

4. All checks received at the Commissioner's office shall be deposit stamped by the authorized recipient before delivery to the DVS Sitter and Barfoot Veterans Care Center (SBVCC) Finance Office to avoid misplacement of funds. Only deposit stamped checks shall be forwarded to DVS SBVCC Finance Office; papers accompanying checks will be retained by the sending office. Multiple checks shall be itemized on a separate piece of paper (preferably on an adding machine tape with a total) and included with the checks being sent. Where possible, **any checks received should be transmitted on the same day as received, but no later than the next business day**. Deposit stamps shall be held by the CA and the VVFS Executive Assistant.
5. Any financial donations received by other parties in the Commissioner's office or supported by it (e.g., VSF Trustees) shall be immediately given to the CA or the VVFS Executive Assistant for deposit stamping and prompt forwarding to the DVS SBVCC Finance Office.
6. Donations forwarded to the DVS SBVCC Finance Office by the CA and VVFS Executive Assistant shall be scanned and sent electronically to the DVS SBVCC Business Office Manager (Sheri Jones), with copies to the:
  - a. SBVCC Financial Director (Tracy Morrison)
  - b. DVS Financial Analysts (Traci Dempsey, Syreeta Thomas, and Judith Reid)
  - c. DVS Director of Development (Karla Boughey)
  - d. VSF Executive Director (Jack Hilgers)
  - e. Additionally, if they are not the originator of the electronic report, the VSF Executive Director, the VVFS Director, CA, and VVFS Executive Assistant should be copied on the email.
7. While papers accompanying the donation funds will not be sent to the DVS SBVCC in accordance with paragraph 4, those electronically scanned and sent will contain all accompanying papers including the envelope in which they were delivered.
8. Copies of deposit receipts shall be sent from the DVS SBVCC Finance Office to the VSF Executive Director the DVS Financial Analysts, and the VVFS Development Assistant. Receipts received by other parties shall immediately forward them to the VSF Executive Director.
9. The DF shall not directly be involved with Foundation mail or donations because he or she is in a supervisory capacity over administration, funds, and accountability.
10. Other DVS activities, such as the Virginia and Sitter & Barfoot Veterans Care Centers and the Cemeteries, shall ensure that similar policies and procedures are in place and implemented at each activity.

**VIRGINIA VETERANS SERVICES FOUNDATION (VSF)  
VIRGINIA DEPARTMENT OF VETERANS SERVICES (DVS)**

**Financial Donation Receipt  
Appendix C**

*It is the policy of the Veterans Services Foundation that contributions will be accepted as designated by the donor, however, if the purpose of the donation has been met by other means the Foundation reserves the option to use unsolicited donations at the discretion of the Foundation Board of Trustees.*

| <i>Donation</i>   |                  |
|---|------------------|
| <i>Funds</i>  | <i>Amount(s)</i> |
| <i>Restricted/Use</i>   |                  |
|   |                  |
|   |                  |
|   |                  |
|   |                  |
|   |                  |
|   |                  |
|   |                  |
| <b>Above to be completed by VSF or Program or Activity Representative</b> |                  |

The donation to the Veterans Services Fund is tax exempt under section 170 (c) (1) of the Internal Revenue Code to the extent authorized for federal taxes and tax exempt from Virginia state and local taxes in accordance with section 2.2-2719 of the Code of Virginia. The Foundation did not provide any goods or services in return for this donation.

\_\_\_\_\_  
**Foundation/Program/Activity Representative**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Foundation/Program/Activity Representative**

\_\_\_\_\_  
**VSF 8-3-2016 DRAFT Meeting Mini Title**

\_\_\_\_\_  
**Date**

**VIRGINIA VETERANS SERVICES FOUNDATION (VSF)  
VIRGINIA DEPARTMENT OF VETERANS SERVICES (DVS)**

**VETERANS SERVICES FUND DESCRIPTION**

**Appendix D**

*Monthly Veterans Services Fund Spread-Sheet Elements*

**Current Funds**

**Annual Program Funds:** Restricted funds from donors to support each designated DVS Program as allocated annually by the Appropriations Act. The current allocations are authorized expenditures. The balances are income, but do not include obligations for projects that have had allocations during the current year and not expended. Allocated funds that have not been spent at the end of the year are carried over to the next year as are obligations. At the beginning of the next year, the fund is replenished with reserve funds to bring it to allocation levels, if sufficient reserve funds are available. If not, donations are used for replenishment. Annual Program funds are not available for endowment purposes.

**Specific Funds for DVS Projects:** Restricted funds that normally are current annual or biennial funds from donors that are to be used for special DVS requirements that are not DVS Annual Program Funds, may involve more than one DVS program, and/or include other state agencies. An example is “Women Veterans Conference.” VSF Specific Funds are not available for endowment purposes.

**Grants:** Grants normally fall under Annual Program Funds or VSF Specific Funds. VVFS examples are Wins for Warriors and Healthy Relationships Couples. The V3 example is Altria (not shown on the quarterly spread sheet). Grants are not available for endowment purposes.

**Foundation Support Fund:** Unrestricted funds appropriated by the Commonwealth or donated on an annual basis to support VSF, and the contingency needs of DVS on a reimbursable basis. This is an expenditure fund. Support funds are not available for endowment purposes.

**Non-Current Funds**

**Reserve Program Funds:** Unrestricted VSF Non-general Funds that are: (1) not part of the VSF Support Fund, (2) restricted funds from donors to support each designated DVS Program which are not part of the current annual Appropriations Act allocations, but available for expenditure on approval from the Department of Planning and Budget (DPB). At least 10% of the available funds or \$100,000 must remain in the account for contingency purposes. The remainder may be available for investment for endowment purposes.

**Foundation Non-General (NG) Fund (formerly Foundation Endowment):** Unrestricted funds appropriated by the Commonwealth and from donors to support VSF. This is an income fund. It contains Appropriated NG Funds, Donor Unrestricted Funds, Interest, and Dividends. It does not include DVS obligations to VSF Non-General Fund. At least 10% of the available funds must remain in the account for contingency purposes. The remainder may be available for investment for endowment purposes.

**Foundation Endowment:** The funds may be unrestricted or restricted. If restricted, their principal usually cannot be spent at all, and only a specified percent of the interest they earn can be spent per year. This Fund may consist of available Non-General, and Reserve Program Funds that may be invested. There currently are no funds in this category.

**VIRGINIA VETERANS SERVICES FOUNDATION (VSF)  
VIRGINIA DEPARTMENT OF VETERANS SERVICES (DVS)**

**Performance Budgeting**

*Appendix E*

The objective is to make the budget more effective by focusing on results of resources allocated to DVS programs that VSF supports. The basic principle of performance budgeting is accountability; measuring how well each respective project was implemented. Also by assessing how effectively the funds budgeted/allocated to the DVS project were used.

Performance based budgeting supports decision making by establishing a purpose, setting measurable objectives, and providing flexibility to achieve the desired outcome. Performance may be judged by a program's ability to certain objectives that contribute to established goals within the constraints of the resources (or inputs) allocated. By linking inputs to program outcomes and not process outputs, accountability can be measured. A resource allocation decision can be made by determining which projects achieve the greatest outcomes by focusing on results.

The VSF Performance Budgeting Initiative process would be as follows:

- 6) At the DVS Commissioner level, project funding requirements would be scrubbed/reviewed, prioritized and recommendations prepared for presentation to the VSF for fund allocation.
- 7) The DVS recommendations would include prioritization and performance measures that can be used by the VSF to measure the results or effectiveness of the use of the funds allocated from the VSF.
- 8) Before the third quarter VSF meeting of each fiscal year, DVS would provide a detailed review that would precede the development and subsequent approval by VSF for allocating funds to DVS for expenditure the next fiscal year.
- 9) This review would address both prioritization and performance. The DVS and or its supported activity would be asked to answer a few basic questions. These would include:
  - a. What is the activity that requires additional funding?
  - b. What and why is the current funding insufficient?
  - c. What is its priority in comparison to the other requirements submitted by the DVS?
  - d. In the event the program is currently receiving additional VSF funding, how has it performed, based on performance metrics approved by VSF?
  - e. Should a program not be on track to obligate the budgeted VSF funding, is there a shortfall in requirements, or a failure to execute the level of activity associated with the budget?
- 10) VSF Trustees validate the need and recommend a fund allocation annually at the May meeting.

The key to this initiative is approving priorities, establishing measurement metrics, and measuring program performance using both quantitative and qualitative methods. This approach will provide information to make better choices, better decisions and in turn provide greater value.

## **ATTACHMENT 16**

**VIRGINIA VETERANS SERVICES FOUNDATION  
VIRGINIA DEPARTMENT OF VETERANS SERVICES  
Veterans Services ~~Endowment~~ Non-General Fund –  
Processing of Financial Requests  
Policy and Procedures**

**DRAFT**

### **J10.1 Purpose**

The Virginia Veterans Services Fund (the Fund), administered by the Virginia Veterans Services Foundation (VSF), is a special non-reverting trust fund on the books of the Commonwealth Comptroller. The ~~Endowment~~ **Non-General Fund** portion of the Fund primarily includes such funds as was or may be appropriated by the General Assembly, ***unrestricted donations to VSF, interest accrued to the fund, and earned dividends***. Its primary purpose is for supporting Foundation operations and serving as a reserve of funds for contingency purposes. This policy sets forth the procedures to be followed when allocating and expending the financial assets of the ~~Endowment~~ **Non-General Fund**.

### **J10.2 References**

This policy is made in accordance with Code of Virginia § 2.2-2718, the Department of Veterans Services (DVS) DVS-VSF Memorandum of Understanding, and the VSF Bylaws. The use, allocation, and expenditure of funds shall be controlled by §64.2-1100 et seq.

### **J10.3 Application**

The Executive Director of the VSF and the DVS Director of Finance or their designee(s) shall be responsible for the application of this policy.

### **J10.4 Interpretation**

The Chairman of the Board of Trustees of the VSF (the Trustees), with the assistance of the Foundation Executive Committee, is responsible for the interpretation of this policy.

### **J10.5 Overview**

- A. The Foundation ~~Endowment~~ **Non-General Fund** was established from Commonwealth non-general funds to provide the Foundation with an initial endowment to support unfunded DVS contingencies and VSF operations. The ~~Endowment~~ **Non-General Fund** is the only stable asset VSF has.
- B. The endowment initially supported unmet DVS needs by providing funding for several DVS projects related to benefits and the care centers, but did not support one other request. These expenses were covered by Veterans Services Fund earned interest; however, the state had stopped distributing earned interest to all state non-general funds as a budget reduction measure during fiscal year 2009.
- C. The Foundation Support Fund was created as a subsidiary fund of the ~~Endowment~~ **Non-General Fund** to cover VSF operating expenses. Its expenditures are limited by current editions of the Commonwealth Appropriations Act.
- D. The ~~Endowment~~ **Non-General Fund**, through the Foundation Support Fund, advanced funds to cover several DVS projects until these expenditures were replaced with donations.

## J10.6 Policy

It is the policy of VSF and DVS, in coordination with the Trustees Finance Committee and VSF Executive Director, to oversee and ensure that monies in the ~~Endowment~~ *Non General* and Support Funds are properly managed, allocated, and expended.

## J10.7 Definitions

The definitions contained in VSF-DVS Joint Policy 4 apply to this policy along with the following:

- A. **Administrative Expenses:** This measure reflects what percent of its total budget VSF or a DVS program spends on overhead, administrative staff and associated costs, and organizational meetings. For VSF operations, these expenses, which include staff, travel, and other administrative expenses, fall under the Foundation Support Fund. This percentage is obtained by dividing the VSF administrative expenses by its total functional expenses.
  
- B. **~~Endowment~~ Non-General Fund:** As used by the VSF, it primarily consists of funds originally appropriated by the General Assembly and interest received from the Veterans Services Fund. It may also contain other revenues transferred from other state programs established for the Fund's benefit, interest accrued, ~~and~~ unrestricted donations, *and dividends*. Revenues from the ~~Endowment~~ *Non-General* Fund cannot directly be used to cover VSF or DVS expenses. This is accomplished through the Foundation Support Fund.
  
- C. **Fundraising Expenses:** This measure reflects what the VSF spends to raise money. Fundraising expenses can include campaign printing, publicity, mailing, and staffing and costs incurred in soliciting donations, memberships, and grants. For the VSF, these expenses fall under the Foundation Support Fund. Dividing VSF fundraising expenses by its total functional expenses yields this percentage.
  
- D. **Contingency:** This is a situation where a VSF or DVS urgent need exists for funds that are not available from appropriated general or non-general funds.
  
- E. **Foundation Operations:** They are the functions performed in support of VSF-DVS Joint Policy 2.
  
- F. **Foundation Support Fund:** This is a sub-fund of the ~~Endowment~~ *Non-General* Fund from which expenditures for VSF operations are *authorized by the Executive Director up to and including \$5,000. Amounts above \$5,000 shall be authorized by the Board of Trustees*. The base budget allocation is contained in the current year Appropriations Act under "Dedicated Special Revenue". This amount may be increased with sufficient justification if funds are available upon approval of the Board of Trustees and the Department of Planning and Budget. It may be used to provide temporary contingency expenditures for DVS programs, but this is done with the understanding that such funds will be replaced with fundraising.

**G. Program Expenses:** This measure reflects what percent of its total budget the Foundation ~~spends on~~ *annually allocates to* the DVS programs and services it exists to deliver (e.g., to veterans and their families, either directly or indirectly). For the VSF, these include contingency expenses associated with DVS programs, if they don't fall under Administrative Expenses. Dividing these expenses by the VSF total functional expenses yields this percentage.

### **J10.8 Authorization and Procedures to Receive, Accept, and Record Financial Donations and Appropriations**

The authorization and procedures to receive, accept, and record financial donations are contained in VSF-DVS Joint Policy 4. The procedures for accepting and recording appropriated funds are contained in state financial regulations. Funds received for the ~~Endowment~~ *Non-General* Fund will be processed through the DVS Director of Finance for the VSF.

### **J10.9 Managing Endowment and Foundation Support Funds**

The ~~Endowment~~ *Non-General* Fund and Foundation Support Fund shall be managed by the Trustees and the Foundation Executive Director as follows:

- A. All balances in the Fund shall be maintained in an interest bearing account. Interest income generated by the Fund shall accrue to the Foundation ~~Endowment~~ *Non-General* Fund, unless otherwise directed by the Trustees or the current Commonwealth Appropriations Act.
- B. Upon completion of the activity for which Foundation Support Funds were used, the unspent portion of the appropriation for a specific activity shall remain in the Support Fund. However, the Support Fund shall not exceed the amount authorized by the Appropriations Act of the current year.
- C. At the end of each fiscal year, VSF Trustees shall review account balances to determine the requirements for the coming year.
- D. The DVS Director of Finance shall assist VSF in preparing monthly and quarterly reports to the VSF Trustees. These reports shall contain statements and schedules, as appropriate to identify the status of all monies deposited and expended in the Fund. Reports may be required more frequently by the Trustees. These reports will form the basis of a Foundation annual report.

### **J10.10 Budgeting Foundation ~~Endowment~~ Non-General and Support Funds**

Expenditures may be approved from the Fund as outlined in the VSF Bylaws and applicable VSF and DVS policies on expenditures. The VSF Executive Director is responsible for directing and administering the Foundation Support Fund, including the budgeting of funds for supplies, materials, equipment, and other expenditures within authorized amounts. The duties of the Executive Director shall be as follows:

- A. Request input and recommendations from the Trustees and the Department of Veterans Services regarding potential needs and activities for the coming fiscal year or as needs arise.
- B. Review the recommendations to ensure that the requests fall within the scope of the intent of the Foundation Support Fund. No later than mid April, develop an annual working budget for the coming fiscal year. The base budget allocation is contained in the current year Appropriations Act under

“Dedicated Special Revenue”. This amount may be changed with sufficient justification if funds are available upon approval of the Department of Planning and Budget.

- C. Submit the budget to the Trustees for review and approval.
- D. Submit to the Trustees for approval any requested changes to the approved operating budgets prior to implementation of any changes. Such changes must contain sufficient justification and funds must be available for the request that must be approved by the Department of Planning and Budget. Such supplemental requests will be submitted to the Foundation Trustees so that they can be considered at its next quarterly meeting.
- E. Submit a quarterly report that summarizes allocated financial funding levels and services expenditures made from allocated funds to the Trustees for their information and review. Additional reports may be requested on a more frequent basis.

### **J10.11 Procedures for Requesting Foundation Endowment Non-General Funds**

- A. Requests for allocations of ~~endowment~~ *Non-General* funds shall be made by the DVS Commissioner in writing to the VSF Chair, with a copy to the VSF Executive Director, at least ten working days before the VSF Finance Committee is scheduled to meet. Requests shall include:
  - 1. The amount requested;
  - 2. When the allocation would be needed;
  - 3. How the allocation will be used;
  - 4. Detailed justification for the allocation;
  - 5. Whether other funds are available for the request and their sources;
  - 6. Whether the requested allocation will be replaced, and if so, when;
  - 7. Other information as may be specified by the situation.
- B. Funds shall be allocated on a replaceable basis from DVS, when available.
- C. The VSF Trustees reserve the right to request additional information upon which an informed decision may be made.
- D. The Trustees decision will be included in the VSF Board of Trustees minutes.
- E. *Final approval of the allocation must be received from the Department of Planning and Budget before the allocation of funds can be executed, if the amount required exceeds the authorized allocation in the current Appropriations Act.*

### **J10.12 Procedures for Expending Foundation Support Funds**

- A. *The Fund shall be used solely for the purposes of carrying out the applicable provisions of §2.2-2715 et seq. The unrestricted portion of the Fund may be used for Foundation expenses, subject to approval by the Board of Trustees. Allocations and expenditures of donated restricted funds shall be in accordance with the provisions of §§ 64.2-1100 through 64.2-1104 of the Code of Virginia. Expenditures and disbursements from the Fund shall be made by the Executive Director with the approval of the Board on warrants issued by the Comptroller upon written request.*

- B. Expenditure, regardless of purpose, shall be submitted to the VSF Executive Director for approval. The Executive Director shall evaluate the request to ensure it meets the following criteria:
1. Funds are available for the purchase or expenditure; and the expense conforms to the intent of the designated donation and the approved budget. Deviations from the approved budget shall be approved by the Trustees.
  2. The expense is reasonable and practical.
  3. The expense is timely.
  4. The expenditure does not conflict or overlap with other requests or expenditures.
  5. Whether the requested allocation will be replaced, and if so, when;
  6. Other information as may be specified by the situation.
- C. If a question exists regarding the propriety of an expenditure, it shall be referred by the VSF Executive Director to the DVS Director of Finance.
- D. After being approved by the Executive Director, the purchase/expenditure will be made in accordance with Commonwealth of Virginia regulations.
- E. In addition to the Funding Levels and Services Report, other reports on expenditures shall be submitted quarterly, or as requested, to the DVS Commissioner, the Trustees, or others for review. Expenditure reports shall include under-funded and unfunded needs, if any.
- F. Financial records shall be maintained according to the state Comptroller and shall be subject to audit by the Auditor of Public Accounts.

### **J10.13 Adoption and Amendment**

This policy may be adopted and amended by a majority vote of the VSF Board of Trustees after consultation with the Commissioner of Veterans Services. Notice regarding such actions shall be given to the Commissioner and all Trustees members at least ten (10) days prior to the vote being taken. Biennial review of this policy is the responsibility of the VSF Finance Committee.

### **J10.14 Policy Effective Date**

The effective date of the policy, or policy revision, shall be the date the VSF Trustees and the DVS Commissioner ratify the policy. Revision approved: November 5, 2014, *August 3, 2016*.

November 6, 2013

**ATTACHMENT 19**

**Veterans Services Foundation  
Statement of Assets  
June 30, 2016  
(Unaudited)**

| <b>Assets:</b>               |                               |
|------------------------------|-------------------------------|
| Cash held by State Treasurer | 1,529,368.34                  |
| <b>Total Assets</b>          | <b><u>\$ 1,529,368.34</u></b> |

| <b>Fund Balances:</b>                                   |                               |
|---|-------------------------------|
| <b>Restricted Fund Balances:</b>                        |                               |
| Restricted for VVCC Activities                          | 175,285.92                    |
| Restricted for SBVCC Activities                         | 22,341.28                     |
| Restricted for Cemetery Operations                      | 25,829.24                     |
| Restricted for VVFS Funds                               | 953,552.57                    |
| Restricted for Benefits Funds                           | 475.52                        |
| Restricted for Virginia Values Veterans (V3) VTAP Funds | 105,427.39                    |
| Restricted for Women's Summit Funds                     | 14,050.00                     |
| Restricted for Foundation Support Funds                 | 40,226.75                     |
| <b>Total Restricted Fund Balances</b>                   | <b>1,337,188.67</b>           |
| <b>Endowment Fund Balances</b>                          | <b>192,179.67</b>             |
| <b>Total Fund Balances</b>                              | <b><u>\$ 1,529,368.34</u></b> |



**Veterans Services Foundation**  
**Statement of Income, Expenditures and Changes in Fund Balances**  
**For the Month Ended June 30, 2016**  
**(Unaudited)**

**INCOME:**

**Y-T-D Actual**

Restricted gifts received for:

|                                       |                   |
|---------------------------------------|-------------------|
| Virginia Veterans Care Center         | 42,092.07         |
| Sitter & Barfoot Veterans Care Center | 7,230.23          |
| Cemetery Funds                        | 2,300.00          |
| VVFS Funds                            | 487,102.78        |
| Benefits Funds                        | 700.00            |
| Virginia Values Veterans (V3) Funds   | 108,549.00        |
| Women's Summit                        | 14,500.00         |
| Foundation Support Funds              | (10.37)           |
| Endowment Funds                       | 19,752.69         |
| <b>TOTAL INCOME</b>                   | <b>682,216.40</b> |

**EXPENDITURES:**

|   |           |
|---|-----------|
| VVCC Indigent Resident Needs                  | 786.21    |
| VVCC Rehabilitation Equipment                 | 3,613.00  |
| VVCC Activity Fund--Activities with Residents | 2,762.57  |
| VVCC Operation Holiday Spirit                 | 15,560.89 |
| VVCC Carnival Expenses                        | 2,495.86  |
| VVCC Restricted-Other                         | 10,980.61 |
| VVCC Other Equipment                          | 65,587.67 |
| SBVCC Other Donations                         | -         |
| SBVCC Activities Fund                         | 7,629.08  |
| SBVCC Operation Holiday Spirit                | -         |
| SBVCC Other Equipment                         | -         |
| SBVCC Indigent Resident Needs                 | 134.93    |
| SBVCC in Memory of Coloner Barfoot            | 4,396.00  |
| SBVCC in Memory of Mark Scott                 | 993.23    |
| VVFS Enabling Veterans Services               | 19,345.29 |

|  |                     |
|--|---------------------|
| VVFS Outreach Services                                       | 59,196.13           |
| VVFS Direct Veterans Services                                | 105,351.41          |
| VVFS Homeless Veterans Fund                                  | 48,115.36           |
| VVFS Wins for Warriors Grant                                 | 13,708.12           |
| VVFS Healthy Relationships Couples Grant                     | 13,000.00           |
| VVFS Other Donations Restricted                              | -                   |
| Benefits Fund  | 224.48              |
| Virginia Values Veterans (V3) Fund                           | 48,773.20           |
| Women's Summit Fund  | 450.00              |
| Foundation Support Fund--Operating Expenditures and Web Site | 14,736.03           |
| Endowment Fund   |                     |
| <b>TOTAL EXPENDITURES</b>                                    | <b>437,840.07</b>   |
| <b>Excess of Income over Expenditures</b>                    | <b>244,376.33</b>   |
| Beginning Fund Balances                                      | 1,284,992.01        |
| <b>Ending Fund Balances</b>                                  | <b>1,529,368.34</b> |

**Veterans Services Foundation**  
**Schedule of Receipts, Expenditures and Budget, by Activity**  
**For the Month Ended June 30, 2016**  
**(Unaudited)**

| Activity                                   | Beginning<br>Balance<br>July 1, 2015<br>(Adjusted) | Receipts         | Expenditures      | Ending<br>Balance<br>June 30, 2016 | FY 2016<br>Budget |
|--|--|------------------|-------------------|------------------------------------|-------------------|
| <b>Virginia Veterans Care Center:</b>      |  |                  |                   |                                    |                   |
| Indigent Resident Needs                    | 20,100.22  | 3,495.41         | 786.21            | 22,809.42                          | 2,000.00          |
| Activities Fund                            | 13,166.32  | 3,996.66         | 2,762.57          | 14,400.41                          | 5,000.00          |
| Operation Holiday Spirit                   | 38,688.56  | 26,780.00        | 15,560.89         | 49,907.67                          | 19,000.00         |
| Carnival Fund                              | 535.22   | 1,820.00         | 2,495.86          | (140.64)                           | 4,000.00          |
| Rehabilitation Equipment                   | 24,937.89  | -                | 3,613.00          | 21,324.89                          | 5,000.00          |
| Other Equipment                            | 58,561.00  | 5,000.00         | 65,587.67         | (2,026.67)                         | 65,000.00         |
| Unit Projects and Functions                | 13,310.63  |                  | -                 | 13,310.63                          | 1,500.00          |
| Other Donations Restricted for use at VVCC | 65,680.82  | 1,000.00         | 10,980.61         | 55,700.21                          | 500.00            |
| <b>Total VVCC</b>                          | <b>234,980.66</b>                                  | <b>42,092.07</b> | <b>101,786.81</b> | <b>175,285.92</b>                  | <b>102,000.00</b> |

|   |          |        |        |          |          |
|---|----------|--------|--------|----------|----------|
| <b>Sitter &amp; Barfoot Veterans Care Center:</b> |          |        |        |          |          |
| Indigent Resident Needs                           | 1,165.21 | 500.00 | 134.93 | 1,530.28 | 1,000.00 |

|   |                  |                 |                  |                  |                  |
|---|------------------|-----------------|------------------|------------------|------------------|
| Activities Fund                             | 19,459.08        | 6,530.23        | 7,629.08         | 18,360.23        | 16,505.00        |
| Other Donations Restricted for use at SBVCC | -                | -               | -                | -                | 4,500.00         |
| Received in Memory of Mark Scott            | 1,645.00         | -               | 993.23           | 651.77           | -                |
| Received in Memory of Coloner Barfoot       | 5,995.00         | 200.00          | 4,396.00         | 1,799.00         | 5,995.00         |
| <b>Total SBVCC</b>                          | <b>28,264.29</b> | <b>7,230.23</b> | <b>13,153.24</b> | <b>22,341.28</b> | <b>28,000.00</b> |

### Cemetery Funds:

|   |                  |                 |          |                  |                 |
|---|------------------|-----------------|----------|------------------|-----------------|
| Virginia Veterans Cemeteries                    | 750.00           | -               | -        | 750.00           | 1,200.00        |
| Virginia Veterans Cemetery--Amelia              | 5,706.38         | 320.00          | -        | 6,026.38         | 2,800.00        |
| Albert G. Horton Jr. Memorial Cemetery--Suffolk | 8,431.07         | 980.00          | -        | 9,411.07         | 1,000.00        |
| SW Virginia Veterans Cemetery--Dublin           | 8,641.79         | 1,000.00        | -        | 9,641.79         | -               |
| <b>Total Cemetery Support Funds</b>             | <b>23,529.24</b> | <b>2,300.00</b> | <b>-</b> | <b>25,829.24</b> | <b>5,000.00</b> |

### VVFS Funds:

|                                     |            |           |            |           |            |
|-------------------------------------|------------|-----------|------------|-----------|------------|
| Outreach Services                   | 75,000.00  | -         | 59,196.13  | 15,803.87 | 75,000.00  |
| Direct Veterans Services            | 150,000.00 | -         | 105,351.41 | 44,648.59 | 150,000.00 |
| Enabling Veterans Services          | 25,000.00  | -         | 19,345.29  | 5,654.71  | 25,000.00  |
| Homeless Veterans Fund              | 50,000.00  | -         | 48,115.36  | 1,884.64  | 50,000.00  |
| Wins for Warriors                   | 13,708.12  | -         | 13,708.12  | -         | -          |
| Healthy Relationships Couples Grant |            | 13,000.00 | 13,000.00  | -         |            |

|   |                     |                   |                   |                     |                   |
|---|---------------------|-------------------|-------------------|---------------------|-------------------|
| Other Donations Restricted for use by VVFS      | 411,457.98          | 474,102.78        | -                 | 885,560.76          | -                 |
| <b>Total VVFS Funds</b>                         | <b>725,166.10</b>   | <b>487,102.78</b> | <b>258,716.31</b> | <b>953,552.57</b>   | <b>300,000.00</b> |
| <b>Benefits Funds</b>                           | -                   | 700.00            | 224.48            | 475.52              | 100,000.00        |
| <b>Virginia Values Veterans (V3) VTAP Funds</b> | 45,651.59           | 108,549.00        | 48,773.20         | 105,427.39          | 140,000.00        |
| <b>Women's Summit</b>                           | -                   | 14,500.00         | 450.00            | 14,050.00           | -                 |
| <b>Foundation Support Funds</b>                 | 54,973.15           | (10.37)           | 14,736.03         | 40,226.75           | 40,000.00         |
| <b>Endowment Fund</b>                           | 172,426.98          | 19,752.69         |                   | 192,179.67          | -                 |
| <b>Grand Total All Funds</b>                    | <b>1,284,992.01</b> | <b>682,216.40</b> | <b>437,840.07</b> | <b>1,529,368.34</b> | <b>715,000.00</b> |

**ATTACHMENT 20**

**Veterans Services Foundation  
Budget Requests as of August 3, 2016  
For FY 2018  
(Unaudited)**

| Activity   | Cash<br>Balances<br>June 30,<br>2016 | FY 2017<br>Requested<br>Budget | FY 2018<br>Budget<br>Request | Comments                  |
|--|--------------------------------------|--------------------------------|------------------------------|---------------------------|
| <b>Virginia Veterans Care Center:</b>  |                                      |                                |                              |                           |
|  |                                      |                                |                              | BB = Base Budget increase |
| Indigent Resident Needs  | 22,809.42                            | 2,000.00                       | 2,000.00                     |                           |
| To be used for dentures, glasses, hearing aides, clothing, transportation, etc.  |                                      |                                |                              |                           |
| Activities Fund  | 14,400.41                            | 3,000.00                       | 3,000.00                     |                           |
| To be used for resident luncheons, sporting events, Easter egg hunt, Entertainment, etc.   |                                      |                                |                              |                           |
| Operation Holiday Spirit   | 49,907.67                            | 21,000.00                      | 21,000.00                    |                           |
| To be used for resident gifts, supplies, etc.  |                                      |                                |                              |                           |
| Carnival Fund  | (140.64)                             | 4,000.00                       | 4,000.00                     |                           |
| To be used to hold an actual carnival for residents and families. These funds will be spent for prizes, bands, clowns, a black jack game, tent rentals, supplies, etc. |                                      |                                |                              |                           |
| Rehabilitation Equipment   | 21,324.89                            | 5,000.00                       | 5,000.00                     |                           |
| Specialty cushions, miscellaneous restorative therapy equipment for new addition   |                                      |                                |                              |                           |

|   |                   |                   |                  |                         |
|---|-------------------|-------------------|------------------|-------------------------|
| Other Equipment   | (2,026.67)        | 125,000.00        | 5,000.00         | FY17 \$120K lift & deck |
| Misc. equipment for resident activities.                          |                   |                   |                  |                         |
| Unit Projects and Functions                                       | 13,310.63         | 1,500.00          | 51,500.00        | FY18 \$50K projects BB  |
| For special programs, and for a new family support group program. |                   |                   |                  |                         |
| Other Donations Restricted for use at VVCC                        | 55,700.21         | 500.00            | 500.00           |                         |
| <b>Total VVCC</b>   | <b>175,285.92</b> | <b>162,000.00</b> | <b>92,000.00</b> |                         |

|   |                  |                  |                  |                      |
|---|------------------|------------------|------------------|----------------------|
| <b>Sitter &amp; Barfoot Veterans Care Center:</b> |                  |                  |                  |                      |
| Indigent Resident Needs                           | 1,530.28         | 1,000.00         | 1,000.00         |                      |
| Activities Fund                                   | 18,360.23        | 16,500.00        | 16,500.00        |                      |
| Other Donation Restricted for use at SBVCC        |                  | 8,050.00         | 8,050.00         |                      |
| Donations received in memory of Mark Scott        | 651.77           | 650.00           | 650.00           |                      |
| Donations received in memory of Coloner Barfoot   | 1,799.00         | 1,800.00         | 1,800.00         |                      |
| <b>Total SBVCC</b>                                | <b>22,341.28</b> | <b>28,000.00</b> | <b>28,000.00</b> | No adjustment needed |

|   |                  |                 |                  |  |
|---|------------------|-----------------|------------------|--|
| <b>Cemetery Funds:</b>                                    |                  |                 |                  |  |
|   |                  |                 |                  | BB=Base Budget increase                      |
| Cemeteries General Fund                                   | 750.00           | 1,200.00        | 500.00           |  |
| Virginia Veterans Cemetery--Amelia                        | 6,026.38         | 1,800.00        | 5,000.00         |  |
| Albert G. Horton, Jr. Memorial Veterans Cemetery--Suffolk | 9,411.17         | 1,000.00        | 5,000.00         |  |
| SW Virginia Veterans Cemetery--Dublin                     | 9,641.79         | 1,000.00        | 5,000.00         |  |
| <b>Total Cemetery Funds</b>                               | <b>25,829.24</b> | <b>5,000.00</b> | <b>15,500.00</b> | \$10,500 increase for 3 versus 1 cemetery BB |

**VWWP Funds:**

|   |                     |                   |                   |   |
|---|---------------------|-------------------|-------------------|---|
| Outreach Services                               | 15,803.87           | 25,000.00         | 25,000.00         |   |
| Direct Veterans Services                        | 44,648.59           | 150,000.00        | 150,000.00        |   |
| Enabling Veterans Services                      | 5,654.71            | 25,000.00         | 25,000.00         |   |
| Homeless Veterans Services                      | 1,884.64            | 100,000.00        | 100,000.00        |   |
| Three Summits                                   |                     | 75,000.00         | 75,000.00         |   |
| Other Donations Restricted for use by VWWP      | 885,560.75          |                   |                   |   |
| <b>Total VWWP Funds</b>                         | <b>953,552.57</b>   | <b>300,000.00</b> | <b>300,000.00</b> | <u>No adjustment needed</u>                 |
| <b>Benefits Funds</b>                           | <b>475.52</b>       | <b>100,000.00</b> | <b>100,000.00</b> |   |
| <b>Virginia Values Veterans (V3) VTAP Funds</b> | <b>105,427.39</b>   | 200,000.00        | 200,000.00        |   |
| <b>Women's Summit</b>                           | <b>14,050.00</b>    |                   | <b>14,500.00</b>  | <b>\$14,500.00 Non-Base Budget increase</b> |
| <b>Foundation Support Funds</b>                 | <b>40,226.75</b>    | <b>60,000.00</b>  | <b>60,000.00</b>  |   |
| <b>Endowment Fund</b>                           | <b>192,179.67</b>   |                   |                   |   |
| <b>Grand Total All Funds</b>                    | <b>1,529,368.34</b> | <b>832,000.00</b> | <b>795,500.00</b> | <b>BB+NBB = 810,000.00</b>                  |