

Finance Committee & Procedures and Policies Joint Committee Meeting
American Legion Building
1708 Commonwealth Ave, Richmond, Virginia 23230
December 12, 2019
9:00 AM -9:25 AM

The Finance & the Procedures and Policies Committee Joint meeting of the Veterans Services Foundation (VSF) Board of Trustees was held on Thursday, December 12, 2019 at the American Legion Building, Richmond, VA.

FINANCE COMMITTEE MEMBERS PRESENT

- Al Pianalto
- Walter Stosch (*Committee Chair*)

PROCEDURES & POLICIES COMMITTEE MEMBERS PRESENT

- Al Pianalto
- Jack Hilgers (*Committee Chair*)
- Jack Lanier (*Committee Assistant Chair*)

FINANCE COMMITTEE MEMBERS ABSENT

- Matice Wright (*Assistant Chair*)
- Frank Driscoll
- Paul Haughton

DVS REPRESENTATIVES PRESENT

- Tammy Davidson (*DVS Finance Director/VSF Treasurer*)
- Glendalynn Glover (*DVS Staff*)

Materials distributed and attached

- Meeting Agenda (*Attachment 1*)
- FY20 First Quarter Financial Report (*Attachment 2*)
- VSF Funding Guidelines Extract (*Attachment 3*)
- VSF Planned Giving Policy and Procedures (*Attachment 4*)
- VSF Development and Maintenance of Plans, Procedures and Polices (*Attachment 5*)

Opening, Roll Call and Quorum Determination

Finance Committee Chair, Walter Stosch welcomed everyone and called the meeting to order at 8:54 a.m. With 4 of 7 trustees present, a quorum was determined.

Approval of Agenda

The agenda was previously forwarded to the trustees electronically and a copy was included in the materials distributed. Chair Stosch asked for a motion to approve agenda.

Jack Lanier moved to approve the agenda as presented, and Al Pianalto seconded the motion. There was no discussion and the motion passed unanimously.

Approval of Minutes of September 19, 2019 Meeting

The Finance Committee minutes from 9.19.19 and the Procedures and Policies minutes from 11.19.19 were not approved at this time.

UNFINISHED BUSINESS

a. Review possible budget adjustments - Finance Committee Chair

Chair Stosch chair stated that the committee received one request from DVS for a budget amendment. He noted that Mrs. Tammy Davidson was present and could further explain the request if needed. Chair Stosch pointed out that the monthly financial statements show discrete line items within each of the activities focusing on the Virginia Veterans and Family Support Services. There is an aggregate of \$450, 000 in our budget for those services and are broken down into four items. DVS is asking VSF to consolidate two of those items into a third. The most active one is the homelessness fund and the proposal is that VSF move \$25,000 from outreach and \$25,000 from enabling to add \$50,000 to the homeless budget. There is no change in the total, it is just a matter of moving funds around.

Jack Hilgers, Procedures and Policies Chair, moved to recommend that the budget amendments request be approved by the committee and be forwarded to the VFS Board for action. Jack Lanier seconded the motion. There was no further discussion and the motion passed unanimously.

b. Review of potential VSF Funding Guidelines Changes - Finance & Procedures and Policies Chairs

Finance Chair Stosch stated one of the proposed changes to the VSF funding guidelines was for the Homeless sub fund. Procedures and Policies Chair Hilgers was asked to share that information with the committee members. Chair Hilgers stated that the initial paperwork that was submitted was missing an item that needed to be added, along with another change which deals with the homeless sub fund. On that page of the proposal it provides that VVFS be at the very top of the page. It was restructured and the committee came up with a rewrite which VVFS says is okay. However they did request that the last line "donor funds will not be used to maintain the lifestyles of chronically homeless veterans of their families" be deleted. Chair Hilgers recommend that the last sentence be stricken.

Finance Chair Stosch asked Procedures and Policies Chair Hilgers to explain the goal of the two changes? Chair Hilgers explained that the goal of the two changes is to clarify the veteran homeless fund and what it could be used for and recommended that the committee accept the changes and forward them on to the full board for approval.

Mrs. Davidson asked who was tracking the \$1,500 limit over a two-year period and if this was discussed with Carol Berg and Matt Leslie? Chair Hilgers stated that Matt Leslie will be monitoring it. Finance Chair Walter Stosch asked if there questions regarding the proposed changes. The members had no questions Finance Chair Walter Stosch called for a motion.

Jack Lanier moved to approve the VFS Funding Guidelines changes as presented by the Policy and Procedure Committee and to be submitted to the VSF board for action. Al Pianalto seconded the motion. There was no further discussion and the motion was passed unanimously.

Finance Chair Walter Stosch commented on homeless fund. He stated that the foundation should be given credit for the funding provided to support this program and added that this request had been made in the past. This acknowledgement would provide the Foundation an edge on fundraising. Al Pianalto agreed and added that DVS should include the total amount of funding for all DVS programs that the Foundation provides support. Mrs. Tammy Davidson suggested that this be an issue to be discussed with new Commissioner.

Chair Stosch commented that the Department of Human Development receives funds for homelessness and is supposed to work collaboratively with the DVS and with veterans. It appears that none of the funding is coming from that department but all of it is coming from the foundation.

Mrs. Davidson stated that she understood what the Chair was saying, and commented there maybe something missing in the budget line. She had no solutions on what can be done about it. She added that that may fall back to when the foundation was a part of DVS and it was somewhat all of the same.

- c. **Review of Draft VSF Policy F3 Planned Giving – Procedures & Policies Committee Chair**
Procedures and Policies Chair Hilgers spoke about the Plan Giving document. He stated that this document is unchanged and is the same one reviewed on November 9, 2017 by the board and prior to May 6, 2015 by the AG'S office. Chair Hilgers recommend committee accept the Planned Giving Policy and Procedure and be forwarded to the board for approval.

Al Pianalto moved to approve the VFS Planned Giving Policy and Procedures as presented by Policy and Procedure Committee. Jack Lanier seconded the motion. There was no discussion and the motion passed unanimously to be submitted to the board for approval.

- d. **Discuss the process and output for documenting DVS – VSF Accounting Procedures & Policies Finance Committee Chair**

Finance Committee Chair announced the next item on the agenda is a work in progress. The committee attempted to make sure the Foundation was in compliance with all the statutory guidance and requirement of our fiduciary requirements in that any funding that is provided by the foundation should be approved in advance and not after the fact. Therefore a system was created with help of Mrs. Karla Boughey, Mrs. Tammy Davidson and others, where in the foundation has \$100,000 in working capital from which they can make expenditures and must be submitted to the Executive Director for her approval for reimbursement to occur. Hopefully, that approval will constitute the approval in advance. Chair Stosch added that this is a work in process. He will work with Mrs. Davidson and Mrs. Boughey to continue looking in to the procedures to maintain decent controls and to reduce some of the redundancy that seem to be happening. That information is just a report.

Procedures and Policies Chair Hilgers stated that this information is in line with joint Policy1- starting with fundraising going all the way through the deposit. Joint Policy2 —s will be on in-kind donations and joint Policy 4 on maintenance and all of the tasks. Then the last one will be expenditures. Chair Stosch stated that it is a constant struggle to make sure that we are in compliance with all of the rules and regulation. One of which is deposits that come in and should be made on the next day. Chair Stosch went on to say that it was his understanding that VSF recently had a flood of checks come in from the VVCC that was dated back to previous month. The Foundation and DVS need to figure out a way to deal with this issue.

Mrs. Davidson stated that the issue was addressed right after that occurred. She was assured in writing that all of these checks came in the week of Thanksgiving. It has been my experience that not all checks have been written when they are dropped off. Chair Stosch stated that there needs to be a better way to get them processed in a timely fashion.

Mrs. Davidson reported that the deposit authority for the care center was taken away so checks are be delivered to me weekly. This has been an issue dating back a few years ago. December goes on through about January 8 for those who submitted the checks at the end of the year. DVS will do their best to make a run from everywhere to get the items in.

Jack Hilgers stated that joint Policy 4 needs to be looked at and improved.

NEW BUSINESS

- a. All recommendation were considered during the discussions in New Business
- b. Other New Business

There was no new business.

PUBLIC COMMENT

No members of the public were present.

ADJOURNMENT

Meeting was adjourned at 9:27 am.

Veterans Services Foundation Board of Trustees
Finance Committee and Procedures and Policy Committee Joint Meeting
American Legion Department Headquarters
1708 Commonwealth Avenue, Richmond, Virginia 23230
December 12, 2019
9:15 a.m. – 9:25 a.m.

DRAFT

- I. Opening, Roll Call, Quorum Determination.
- II. Approval of Agenda – *Finance Committee Chair*
- III. Approval of Minutes – N/A
- IV. Unfinished Business
 - a. Review possible budget adjustments, if any – *Finance Committee Chair*
 - b. Review of potential VSF Funding Guidelines – *Committee Chairs*
 - c. Review of Draft VSF Policy F3 (Planned Giving), if available – *P&P Committee Chair*
 - d. Discuss the process and output for documenting DVS-VSF Accounting Procedures and Policies – *Finance Committee Chair*
 - e. Other Unfinished Business – *Committee Chairs*
- V. New Business
 - a. Recommend approval of changes to DVS budget adjustments, if any *Finance Committee Chair*
 - b. Recommend approval of changes to VSF Funding Guidelines – *Finance Committee Chair*
 - c. Recommend approval of Draft VSF Policy F3, if available – *P&P Committee Chair*
 - d. Other New Business – *Committee Chairs*
- VI. Public Comment
- VII. Adjournment.

Veterans Services Foundation
Schedule of Receipts, Expenditures and Budget, by Activity
For the Month Ended September 30, 2019 (FM03)
FY 2020 Year-To-Date
(Unaudited)

Activity	Fund 09410 Balance July 1, 2019 Adjusted	Receipts YTD	Expenditures YTD	Fund 09410 Balance September 30, 2019 YTD	FY 2020 Budget YTD	FY 2020 Budget Balance YTD
Virginia Veterans Care Center:						
Indigent Resident Needs	35,348.97	100.00	-	35,448.97	2,000.00	2,000.00
Activities/Carnival Fund	14,667.48	550.00	-	15,217.48	7,000.00	7,000.00
Operation Holiday Spirit	86,608.50	-	-	86,608.50	21,000.00	21,000.00
Unit Projects & Functions	-	-	-	-	51,500.00	51,500.00
Other Donations Restricted	18,987.33	150.00	-	19,137.33	10,500.00	10,500.00
Total VVCC Funds	155,612.28	800.00	-	156,412.28	92,000.00	92,000.00
Sitter & Barfoot VCC:						
Indigent Resident Needs	6,242.52	-	-	6,242.52	1,000.00	1,000.00
Activities Fund	19,749.02	-	2,627.18	17,121.84	16,500.00	13,872.82
Other Donations Restricted	7,072.00	8,171.00	-	15,243.00	10,500.00	10,500.00
Total SBVCC Funds	33,063.54	8,171.00	2,627.18	38,607.36	28,000.00	25,372.82
Cemetery Funds:						
Va Veterans Cemeteries- Other Donations Restricted	842.00	-	-	842.00	500.00	500.00
Va Veterans Cemetery--Amelia	8,661.38	-	-	8,661.38	5,000.00	5,000.00
Memorial Cemetery--Suffolk	21,315.98	-	-	21,315.98	5,000.00	5,000.00
SW Va Veterans Cemetery--Dublin	10,806.79	100.00	-	10,906.79	5,000.00	5,000.00
Total Cemetery Support Funds	41,626.15	100.00	-	41,726.15	15,500.00	15,500.00
Virginia Veterans' and Family Support						
Outreach Services	1,000.00	-	-	1,000.00	25,000.00	25,000.00
Direct Veterans Services	64,742.30	384.00	38,448.82	26,677.48	240,000.00	201,551.18
Enabling Veterans Services	1,000.00	-	-	1,000.00	25,000.00	25,000.00
Homeless Veterans Fund	185,462.27	-	59,043.17	126,419.10	160,000.00	100,956.83
Operation Family Caregiver Grant	923.99	-	-	923.99	-	-
Other Donations Restricted	336,294.24	21,285.34	-	357,579.58	-	-
Total VVFS Funds	589,422.80	21,669.34	97,491.99	513,600.15	450,000.00	352,508.01
Benefits Funds:	1,325.52	-	-	1,325.52	1,000.00	1,000.00
Veteran Education, Transition and Employment						
V-3 Fund	219,153.41	-	-	219,153.41	100,000.00	100,000.00
Altria Grant	253,252.24	-	-	253,252.24	90,000.00	90,000.00
Women's Summit	-	-	-	-	10,000.00	10,000.00
VETE Other Donations Restricted	-	-	-	-	-	-
Total VETE Funds	472,405.65	-	-	472,405.65	200,000.00	200,000.00
VSF Support Funds:	10,000.00	-	1,767.93	8,242.07	10,000.00	8,242.07
VSF Unrestricted Revenue						
Appropriated Funds	202,109.92	-	-	202,109.92	-	-
Donor Funds	56,597.84	3,095.54	-	59,693.38	-	-
Interest	73,191.02	-	-	73,191.02	-	-
Total VSF Unrestricted Revenue	331,898.78	3,095.54	-	334,994.32	-	-
Grand Total All 09410 Funds	1,635,354.72	33,835.88	101,877.10	1,567,313.50	796,500.00	694,622.90
	BALANCE	CASH IN	CASH OUT	BALANCE		
Cash Transfers						
913 09410 Fund Balance	1,590,688.13	-	(100,000.00)	1,522,382.08		
912 09410 Fund Balance	44,666.59	100,000.00	-	44,931.42		
TOTAL CASH 09410 FUNDS	1,635,354.72			1,567,313.50		

FY20 DVS Budget Adjustments

FROM: Tammy Davidson
TO: Karla Boughey

Karla,

Yes, I will be requesting an adjustment to VVFS. I would like to move 25K from both Enabling and outreach to Homeless, bringing them to 0 and homeless to \$210.00. I don't see any others needed at this time. We can revisit at March Board meeting if something else arises.

Thanks,
Tammy

VSF Funding Guidelines Extract

Provided by Virginia Veteran and Family Support (VVFS) November 12, 2019

Assistance is to be dispensed as a last resort after all other sources have been exhausted, normally limited to a one-time payment regardless of the time frame involved, and capped at **total of \$1,500.00 over a three year period for an average veteran's family to provide stable housing in most circumstances. Exceptions of up to \$5000.00 may be considered by the VVFS Director on a case-by-case basis. Any assistance to a single veteran/family in excess of that amount should be considered by the VVFS Director in coordination with the VSF Executive Director.** Cash advances of funds are not authorized. Donor funds will not be used to maintain the lifestyles of chronically homeless veterans or their families.

Recommended Wording provided by the VSF Procedures and Policy Committee to the VSF Finance Committee

Homeless (VVFS sub fund). The purpose of the fund is to preclude or end but not sustain homelessness among veterans and their families. The fund provides emergency financial assistance furnished by donors to veterans and their qualifying family members to fill gaps between the immediate need for shelter and the time that appropriate local, state, federal or charitable agencies require to be able to provide a sustainable solution.

- Provide financial assistance to fill gaps in housing homeless veterans and qualifying family members
- Provide financial assistance to veterans to prevent homelessness
- Eligible expenses include deposits, rent, utility deposit, rental arrears/debts, utility arrears, bridge housing, emergency hotel payments, furnishings, other one time only expenses.
- ~~Assistance is to be dispensed as a last resort after all other sources have been exhausted, normally limited to a one-time payment regardless of the time frame involved, and capped at \$1,500.00.~~
Emergency financial assistance may be provided as a last resort after requests from other sources are exhausted. Approved requests will be limited to funding totaling \$1,500 over a two-year period for a veteran in need of emergency housing assistance. The VVFS Director may consider exceptions to this policy on a case-by-case basis. The VVFS Director in coordination with the VSF Executive Director shall consider exceptions that exceed \$3,000 to this policy. Cash advances of funds are not authorized. Donor funds will not be used to maintain the lifestyles of chronically homeless veterans or their families.

VSF Funding Guidelines **Extract Revised**

Provided by Virginia Veteran and Family Support (VVFS) November 12, 2019

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Amend the concluding statement to read:

The Board understands that all expenses are not the same, and there may be exceptions to the above list. All are encouraged to make a request to the Board in special circumstances. If you would like to make a request, please contact ~~Karla Boughey~~ **the Foundation Executive Director. All requests for funding of special circumstances and equipment costs over \$5,000 that will require approval of the Board of Trustees shall be submitted in writing by the DVS Commissioner to the Foundation Executive Director not later than ten working days before a Board of Trustees meeting for consideration by the trustees Finance Committee and Board.**

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

VIRGINIA VETERANS SERVICES FOUNDATION
~~**VIRGINIA DEPARTMENT OF VETERANS SERVICES**~~
Veterans Services Fund – Planned Giving
Policy and Procedures

F3.0 Notice

This policy is not legal advice. Potential donors should contact their attorneys to obtain advice relating to planned gifts.

F3.1 Purpose

- A. The Virginia Veterans Services Foundation (VSF or Foundation) seeks to offer planned gift opportunities to donors by establishing a Planned Giving Program. To that end, this policy is established to recognize that VSF understands its primary responsibility is to the donors and VSF shall always remain cognizant of the donor's needs and desires. Recognizing this, VSF only will be able to accept distributions that are lump-sum payments because VSF is not organized or staffed to process and track installment payments under certain types of participatory life insurance programs, annuity distributions, or other similar agreements.
- B. Planning and coordination are essential to successful planned giving and to avoid duplication in approaching potential donors in the name of the VSF and the Virginia Department of Veterans Services (DVS). To preserve the credibility of VSF and DVS among their financial supporters and the public, as well as to optimize resources, this policy will govern all private planned giving requests made on behalf of VSF and DVS and/or activities related to these two agencies and groups affiliated therewith.
- C. To implement this policy, a Planned Giving Sub-committee of the VSF Development Committee is *a board of trustees special subcommittee under the Development Committee. It shall be formed, when required,* to supervise the Planned Gift Program and make appropriate recommendations ~~when required~~. The Subcommittee shall be chaired by the ~~Vice Assistant~~ *Chair of the Development Committee* and contain an odd number of members not to exceed five *Appointed by the Chair of the Development Committee in consultation with the Committee Assistant Chair*. Development Committee advisors also may participate and assistance may be sought from the Office of the Attorney General.

F3.2 References

This policy is made in accordance with *Code of Virginia* §§ 2.2-2715 et seq. and 64.2-1100 et seq., DVS-VSF Memorandum of Understanding, and VSF Bylaws. Additionally, the ~~Partnership for Philanthropic Planning~~ *National Association of Charitable Gift Planners* guidelines for planned giving/gift planning (www.pppnet.org) shall be followed as they apply to the VSF and its organizational and operational capabilities.

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

F3.3 Application

The Executive Director of VSF or his designee shall be responsible for the application of this policy.

F3.4 Interpretation

The Chairman of the Board of Trustees of VSF (the Trustees), with the assistance of the VSF Planned Giving Sub-committee, is responsible for the interpretation of this policy.

F3.5 Planned Giving Program

Broadly defined, a planned gift is one which is planned for during the donor's lifetime but whose principle benefits do not accrue to the VSF until some future date.

F3.6 Policy

- A. VSF shall, in coordination with DVS, oversee and ensure that the establishment of planned giving priorities and oversight of planned giving rests with the VSF Trustees. The Trustees' Development Committee, under the Trustees Bylaws, is responsible for making recommendations regarding fundraising and organizing fundraising programs, which includes planned giving. The Trustees have designated the VSF Executive Director as having oversight of private fundraising activities. The VSF Executive Director shall assist the Development Committee's Planned Giving Sub-committee plan, organize, and conduct programs to implement the Planned Giving Program.
- B. VSF may, in coordination with DVS, accept gifts in the following forms:
 1. Bequests that do not include real estate or personal property such as artwork, jewelry, antiques, clothing, etc;
 2. Whole life insurance policies where the VSF is named as:
 - a. Owner and beneficiary of 100% of the policy or contract and the policy or contract is equal to or greater than \$10,000.00; or
 - b. Partial beneficiary of the policy or contract and the policy or contract is equal to or greater than \$10,000.00.
 3. Retirement plan beneficiary designations where the VSF is named the beneficiary and the distribution is in the form of a lump-sum payment.
 4. Other forms of gifts may be considered for acceptance on a case-by-case basis.
- C. VSF reserves the right to refuse any planned gift or enter into any planned gift arrangement that is not in the Foundation's best interest. VSF shall not accept the following:
 1. Current, Deferred, and Commercial Charitable gift annuities;
 2. Pooled Income Fund Gifts and Charitable Remainder Trusts;
 3. Term Life Insurance;
 4. Charitable Funds Managed by Others and Charitable Lend Trusts; and
 5. Retained Life Estates.

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

- D. Prospective donors are to obtain and be represented by their own legal counsel for review of the gift and the advisability of the gift in light of the donor’s overall estate plan. VSF and DVS staff members shall not give legal advice to donors or act as an executor of an estate that has an obligation to the Foundation.
- E. VSF and DVS staff shall only inform, serve, and otherwise assist donors, but never pressure or unduly persuade perspective donors. The staff shall encourage donors to discuss proposed gifts with their advisors.
- F. If a donor or prospective donor requests, all information obtained from or about that donor will be kept in confidence. This information is specifically excluded from the records disclosure requirement of the Virginia Freedom of Information Act (*Code of Virginia § 2.2-3705.7.28 or as hereafter may be amended*). Additionally, no public announcement will be released or published without written permission of the donor.
- G. The VSF Development Committee’s Planned Gift Subcommittee shall judge the merits of each planned gift offered and approve the receipt of the gifts that are considered appropriate for VSF acceptance.
- H. Acceptance and distribution of unrestricted gifts to VSF shall be at the discretion of the Board of Trustees as determined by the provisions contained in the *Code of Virginia*. Acceptance and distribution of restricted gifts shall be as designated by the donor. However, if the purpose of the donation has been met or no longer exists, the remaining funds may be used at the discretion of the VSF Board of Trustees to provide other support to veterans and their families.

F3.7 Definitions

The most common forms of estate provisions are bequests, life insurance beneficiary designations and retirement plan beneficiary designations. The following definitions apply:

- A. **Bequests** are a written statement in a donor’s will directing that specific assets, or a percentage of the estate, shall be transferred to a charity at the donor’s death. Bequests can take many forms and are completely controlled by the donor until his or her death. Types of bequests can include:
 1. Specific bequests can be made for a specific dollar amount.
 2. Residual bequests provide for the distribution of assets remaining after payment of all debts, expenses, and specific bequests.
 3. Contingent bequests provide for distribution of assets if certain conditions or circumstances exist at the time of death.
- B. **Life Insurance** policies are contracts with an insurance company. In exchange for premiums (payments), the insurance company provides a lump-sum payment, known as a death benefit, to beneficiaries in the event of the insured’s death. Donors may give an existing policy, either fully paid or partially paid, or a new policy. The proposed gift to a charity is accomplished by naming the charity as a beneficiary of the policy on the

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
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beneficiary designation form. Insurance policies that are accepted by VSF may take the following forms:

1. An existing paid-up policy where the Virginia Veterans Services Foundation is named the owner and beneficiary.
2. An existing paid-up policy where VSF is designated as a co-beneficiary to share the proceeds with another beneficiary.

C. **Retirement Plans.** A retirement plan is a financial arrangement designed to replace employment income upon retirement. These plans may be set up by employers, insurance companies, trade unions, the government, or other institutions. When a participant in a retirement plan passes away, the benefits to which the participant would have been entitled are paid to the participant's designated beneficiary in a form provided by the terms of the plan (i.e., lump-sum or annuity). VSF shall accept only lump-sum payments.

F3.8 Planned Giving Responsibilities and Procedures

A. **Overview.** VSF shall conduct planned giving in a manner that does not conflict with *VSF or DVS* policies. Donors should be encouraged to leave outright gifts to VSF in their wills or living trust agreements.

B. **Responsibilities.**

1. **Planned Gift Subcommittee.** The VSF Development Committee's Planned Gift Subcommittee shall, *when activated*, supervise the Planned Gift Program and make appropriate recommendations as required. The Subcommittee also shall evaluate proposed gifts, which do not clearly fall within the scope of this policy, but merit consideration and further clarification. Determination of which proposals warrant review by the Subcommittee shall be made at the discretion of the VSF Executive Director.
2. **VSF Executive Director.** The Executive Director shall:
 - a. Be responsible for the proper negotiation, administration, and closure of all planned gifts made to VSF. All DVS staff made aware of any planned giving arrangement shall provide such information to the VSF Executive Director. The Executive Director shall keep appropriate DVS staff informed of the status of the Planned Gift Program and specific gifts.
 - b. Maintain a record of information about known bequest donors and the provisions of the bequest.
 - c. Be responsible for recording life insurance information including: the name of the donor, name of the insured, insured's date of birth, date of gift, face value of the policy, type of policy, cash surrender value, timing and amount of premium payments, name and address of the insurance company, and account number of the policy.
 - d. Recommend the procedures to follow and administer once a bequest gift has been realized or matured for the timely distribution of funds for approval by the Planned Gift Subcommittee.
 - e. Recommend the acceptance and distribution of unrestricted gifts to VSF for approval by the Planned Gift Subcommittee. The Subcommittee shall forward

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

such recommendations through the Development Committee for Board of Trustees approval.

- f. Ensure that acceptance and distribution of restricted gifts shall be as designated by the donor.

C. Procedures.

1. Background.

- a. Planned giving gifts are realized as the result of the death of the donor (estate gifts). Because of the magnitude of these gifts and the fact that gifts of this nature are revocable, it is important to solicit and steward this type of gift during the donor's lifetime. It is equally important from a fiscal standpoint to follow through to assure timely collection of the proceeds on the death of a donor.
- b. In planned giving, the owner retains complete control over the distribution of the assets during their lifetime. Although a donor may tell VSF that they have included VSF as a beneficiary in their estate planning, it likely will be sometime before VSF actually receives the gift. These gifts do not become irrevocable until the death of the donor. To secure the stream of revenue for the future, VSF should:
 - (1) Solicit gifts of estate provisions through wills and beneficiary designations during the donor's lifetime;
 - (2) Determine the donor's interest regarding the use of the gift when it is received by VSF;
 - (3) Keep VSF and DVS connected to the donor through regular communications and stewardship activities; and
 - (4) Monitor and become involved in the process of estate settlement as necessary so VSF can receive the benefits of the gift in a timely manner.
- c. Life insurance gifts may take many years to realize, and the cost of administration and premium payments can be time-consuming and expensive for VSF. It is imperative that policies are in place to assure that the value of the gift outweighs the possible expense and liability.

2. Procedures. The following procedures apply to the processing of all deferred/planned gifts.

- a. *Bequests.* When making a will, the donor should obtain the assistance of an attorney. If a donor indicates that they intends to name VSF as a beneficiary, VSF requests that the donor notify VSF by completing the Declaration of Intent attached as Appendix A.
 - (1) If a donor notifies the VSF that they have provided for the Foundation in their estate plan, encourage the donor to provide VSF with a copy of the documentation. This may be a copy of the will (or the relevant codicil), the retirement plan designation, or other such documents.
 - (2) If the donor is willing, request the donor sign a Declaration of Intent so that VSF can recognize the donor for their total commitment to VSF.
 - (3) The Declaration of Intent shall state the amount the donor intends to contribute.

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

b. *Insurance.*

- (1) All policy information will be maintained by the office of the Executive Director.
- (2) If an individual names VSF both owner and beneficiary of a policy, it is an irrevocable gift. If the donor intends to claim a charitable deduction of \$5,000 or more, he/she will be required to obtain a qualified appraisal to substantiate the value of the property. The donor's deduction will generally be the lesser of cash surrender value or the premiums paid to date on the policy.
- (3) In order for the gift of insurance to be complete, the donor will need to deliver the original policy and/or a fully executed owner and beneficiary designation form to the office of the VSF Executive Director.
- (4) Policies where VSF is not named as both owner and beneficiary such as an individual whole life insurance policy where a donor names VSF as beneficiary, but retains all incidents of ownership, are not completed gifts. These gifts will be treated in the same manner as will provisions, retirement plan designations, and other gifts over which the donor retains control during their lifetime.
- (5) Paid-up Life insurance policy gifts are valued, for VSF accounting purposes, at the policy's replacement cost (the cost to purchase a replacement policy). If the policy is partially paid, the value of the gift for VSF accounting purposes is the policy's cash surrender value. For IRS purposes, the donor's charitable income tax deduction is limited to the cash surrender value or the net premiums paid on the policy – whichever is less.

c. *Retirement Plans.* In order to accomplish such a donation, the donor should execute a Beneficiary Designation form with their plan administrator to name VSF as a beneficiary of the plan and a Declaration of Intent form (Appendix A) indicating that they intend to make charitable contributions to VSF.

d. *Valuation of realized bequests and insurance.* They will be received at face value and acknowledged as such to the estate executor or insuring company. Acknowledgements to the deceased's next of kin will be determined by the estate executor.

F3.9 Reporting Planned Giving Status and Results

The Executive Director shall submit a quarterly report to the Foundation Board. The report shall include a complete list of all planned gifts managed by VSF. It also will include a list of all gifts received.

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

F3.10 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 VSF Development Committee’s responsibility.

On adoption, this policy supersedes VSF-DVS Joint Policy 11.

F3.11 Policy Review Date

The date the policy is reviewed is the date the policy was reviewed without revisions made.
 Reviewed November 9, 2016.

F3.12 Policy Effective Date

The effective date of the policy, or any policy revision, shall be the date the VSF Trustees and ~~the DVS Commissioner~~ ratify the policy.

5/6/2015 12/12/2019

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

VIRGINIA VETERANS SERVICES FOUNDATION
Veterans Services Fund – Planned Giving
Appendix A

VIRGINIA VETERANS SERVICES FOUNDATION

PLANNED GIVING

Notice. This appendix is for informational purposes and is not legal advice. The Virginia Veterans Services Foundation (VSF) cannot provide legal or financial advice. We urge the donor to meet with a legal or financial professional to determine the appropriate way to give and the best language to use when making a bequest.

Introduction. VSF offers several opportunities for donors to help Virginia’s veterans and their families. One way is through charitable bequests, which allow donors to direct that portions of their assets be used to benefit philanthropic institutions following the donor’s death. Bequests made through wills or living trusts play an important role in securing the future of VSF programs. These commitments also enable individuals to make gifts that may not have been possible during their lifetimes.

Requirements

1. The donor must provide the VSF with documentation that evidences the commitment. This would include a copy of the will provision, a copy of a beneficiary designation, a codicil, and financial documentation of the value of the future provisions.
2. The gift is to be placed in the VSF Veterans Services Fund from which a spending portion shall be used to support Virginia Department of Veterans Services (DVS) programs and services as detailed in the current VSF brochure and listed on the Commitment Card on the next page.
3. If specified by the donor, the spending portion will be directed to support the DVS programs and services so designated. However, if the purpose of the donation has been met or no longer exists, the remaining funds may be used at the discretion of the VSF Board of Trustees to provide other support to Virginia’s veterans and their families. Unspecified gifts shall be spent as determined by the VSF Trustees.
4. Simple bequest language for a will, codicil, or establishing a trust follows.

Wording for documentation for bequests can take several forms:

1. Specific Bequest: gives the Foundation a specific amount of money or piece of property; e.g., “I give, devise, and bequeath to the Virginia Veterans Services Foundation (Federal Tax ID#: 46-2744762), Richmond, VA 23219, the sum of \$(or shares of ...stock) to be used at the discretion of the Board of Trustees (or for a designated purpose such as the Virginia Veteran and Family Support program (VVFS), the Sitter & Barfoot Veterans Care Center, the Virginia Veterans Care Center, or any of the Veterans Cemeteries in Amelia (Richmond), Dublin (Southeast Virginia), or Suffolk (Hampton Roads)).”

VSF Policy 3	Veterans Service Fund – Planned Giving	Effective: 12/12/2019
		Revised:

2. Residual Bequest: designates all or a portion of whatever remains after all debts, taxes, and expenses have been paid; e.g., “I give, devise, and bequeath to the Veterans Services Foundation (Federal Tax ID#: 46-2744762), Richmond, VA 23219, all the rest, residue, and remainder of my estate, to be used at the discretion of the Board of Trustee (or for a designated purpose as listed above).”
3. Contingent Bequest: takes place only under certain conditions; e.g., ‘In the event my spouse does not survive me, I give, devise, and bequeath to the Virginia Veterans Services Foundation (Federal ID#: 46-2744762), Richmond, VA 23219, the sum of (or the residue and remainder of my estate), to be used at the discretion of the Board of Trustees (or for a designated purpose as listed above).”

Please allow the Foundation to thank you by completing the following Declaration of Intent.

I expect my gift will amount to US \$ _____

My Benefactor commitment to the Virginia Veterans Services Foundation will be in the form of:

___ Will/Bequest ___ Outright Gift ___ Other (please specify) _____

I designate that the spending portion of my gift will be applied to:

Foundation Unrestricted Fund ___ Virginia Wounded Warrior Program ___
 Sitter & Barfoot Veterans Care Center ___ Virginia Veterans Care Center ___
 Puller Veterans Care Center ___ James & Cabacoy Veterans Care Center ___
 Virginia Veterans Cemeteries ___ Virginia Values Veterans (V3) Program ___

Other _____

Should no designation be specified, the Trustees will use it for unrestricted veterans programs and activities.

Name _____ Date of Birth* _____

Address _____ Date _____

Telephone _____ E-mail _____

**Date of birth is used to discriminate donors in place of a SSN or other personal or financial information.*

Please return this to the Virginia Veterans Services Foundation, ~~900 East Main Street, 6th Floor, West Wing,~~ 101 North 14th Street, 17th Floor, Richmond, Virginia 23219

The Foundation (Federal ID#: 46-2744762) is a tax exempt state agency under section 170 (c) (1) of the Internal Revenue Code and section 2.2-2719 of the Code of Virginia for state and local taxes.

VSF Funding Guidelines Extract

Provided by Virginia Veteran and Family Support (VVFS) November 12, 2019

Assistance is to be dispensed as a last resort after all other sources have been exhausted, normally limited to a one-time payment regardless of the time frame involved, and capped at **total of \$1,500.00 over a three year period for an average veteran's family to provide stable housing in most circumstances. Exceptions of up to \$5000.00 may be considered by the VVFS Director on a case-by-case basis. Any assistance to a single veteran/family in excess of that amount should be considered by the VVFS Director in coordination with the VSF Executive Director.** Cash advances of funds are not authorized. Donor funds will not be used to maintain the lifestyles of chronically homeless veterans or their families.

Recommended Wording provided by the VSF Procedures and Policy Committee to the VSF Finance Committee

Homeless (VVFS sub fund). The purpose of the fund is to preclude or end but not sustain homelessness among veterans and their families. The fund provides emergency financial assistance furnished by donors to veterans and their qualifying family members to fill gaps between the immediate need for shelter and the time that appropriate local, state, federal or charitable agencies require to be able to provide a sustainable solution.

- Provide financial assistance to fill gaps in housing homeless veterans and qualifying family members
- Provide financial assistance to veterans to prevent homelessness
- Eligible expenses include deposits, rent, utility deposit, rental arrears/debts, utility arrears, bridge housing, emergency hotel payments, furnishings, other one time only expenses.
- ~~Assistance is to be dispensed as a last resort after all other sources have been exhausted, normally limited to a one-time payment regardless of the time frame involved, and capped at \$1,500.00.~~
Emergency financial assistance may be provided as a last resort after requests from other sources are exhausted. Approved requests will be limited to funding totaling \$1,500 over a two-year period for a veteran in need of emergency housing assistance. The VVFS Director may consider exceptions to this policy on a case-by-case basis. The VVFS Director in coordination with the VSF Executive Director shall consider exceptions that exceed \$3,000 to this policy. Cash advances of funds are not authorized. Donor funds will not be used to maintain the lifestyles of chronically homeless veterans or their families.

VSF Plans Procedures, Policies	VSF Policy for the Development and Maintenance of Plans, Procedures, and Policies	Effective: 12-12-2019
VSF Policy Number 4		Reviewed:

VIRGINIA VETERANS SERVICES FOUNDATION

Policy for the Development and Maintenance of Plans, Procedures, and Policies

DRAFT

F4.1 Purpose

The purpose of this policy is to establish guidelines and policy for the development and maintenance of the planning, procedures, and policies of the Virginia Veterans Services Foundation (VSF).

F4.2 Application

The Chair of the VSF Board of Trustees (the trustees) with advice from the VSF Procedures and Policy Committee (P&PCom) and VSF Executive Director shall be responsible for the application of this policy.

F4.3 Interpretation

The VSF Trustees Chair (Board Chair), in consultation with the Secretary of Veterans and Defense Affairs shall be responsible for the interpretation of this policy.

F4.4 References

- A. Virginia Code (the Code) §2.2-230 states the agencies for which the Secretary of Veterans and Defense Affairs is responsible to the Governor. The Code §2.2-2000 et seq. establishes the Department of Veterans Services (DVS) and its divisions. The Code §2.2-2715 establishes VSF as an independent agency supporting the interests of veterans and their families and contributors through the Secretary of Veterans Services and the programs and services of DVS.
- B. Virginia Code §2.2-2103 states that, "Upon request, all agencies and political subdivisions of the Commonwealth shall assist any authority, board, commission, council or other collegial body established in this title in carrying out the respective duties for which each was created."
- C. The VSF Board of Trustees Bylaws states that the P&PCom shall support the board's responsibility for the conduct of business and operational direction, including planning, of the VSF organization. In support of procedures, the committee shall be responsible for the formulation of revisions to the:
 1. VSF charter;
 2. Board of Trustees Bylaws;
 3. Trustees' general biennial schedule; and
 4. Goals and objectives of the VSF board and its committees, in coordination with those committees.
- D. The VSF Board of Trustees Bylaws also states that the P&PCom shall guide the operational direction of the VSF organization through development, documentation, and review of revisions to the VSF:
 1. Strategic Plan and subsidiary plans;
 2. VSF Policies, Joint VSF-DVS Policies, and other directives; and
 3. DVS-VSF Memorandum of Understanding.

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F4.5 Policy

- A. VSF shall develop and maintain a strategic plan and subsidiary plans as required.
- B. VSF shall maintain the VSF Charter as set forth in the Code of Virginia and the Trustees Bylaws.
- C. VSF shall develop Foundation and Joint Agency policies to provide direction and guidance for carrying out its required functions.
- D. VSF shall, in coordination with other state agencies affected by Foundation policies, ensure cooperative and effective concurrence on the content of its plans, procedures, and policies..
- E. The VSF P&PCom shall judge the merits of each proposal to originate, modify, or terminate VSF plans, procedures, policies, and related documents.

F4.6 Methodology

- A. Document preparation shall be guided by the Virginia Code Commission’s rules for drafting Code of Virginia legislation including using short titles and very limited use of acronyms and common terminology as contained in Appendix A – Virginia Code Commission List of Technical Changes.
- B. The use of common terms for the Foundation and the Department in all documents shall be as follows:
 1. The Department – use DVS
 2. Commissioner of the Department – DVS Commissioner
 3. Commissioner of Veteran Services – DVS Commissioner
 4. Refer to the sub-units within DVS (Care Centers, Cemeteries, VVFS, etc.) as Divisions
 5. Refer to individual DVS programs (Homeless, V3, Transition, etc.) within DVS Divisions as Programs
 6. The Foundation – use VSF or Foundation
 7. Foundation Chairman – VSF Chair
 8. VSF Development Committee – VSF DevCom
 9. VSF Finance Committee – VSF FiCom
 10. VSF Procedures and Policies Committee – VSF P&PCom
- C. Definitions must be common to all of the main participants. A glossary of definitions for VSF and DVS purposes is at Appendix B.
- D. Documents shall conform to the Virginia Code Commission standard practice of lining out text to be changed and inserting new text in italics. For ease of identification, changes will be in bold. Rationale for the changes will be presented separately. The “red line” convention provides both colored underlining and highlighting, and rationale in one document. While convenient, multiple changes get lost and it can become confusing. Therefore, the “red line” method will not be used.
- E. Policies shall not be reduced to the extent that they are not understood by readers who are not know or are unaccustomed to provisions of the Code of Virginia and other important documents and may need greater explanation. Policies basically are manuals for both direction and education of the reader.

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F4.6 Planning

Planning is the most basic of organization functions and involved selecting from alternative courses of action. Planning involves the setting of goals, objectives, and tasks and a means of reaching them. Planning does not take place in a vacuum and must consider the individuals involved (i.e., stakeholders), requirements of higher authority, and the nature of the internal and external environment in which organization operates.

A. Strategic Planning.

1. Strategic planning is used by an organization, the VSF in this case, to determine: (1) where it is going over the long range (usually five or more years), (2) how it's going to get there, and (3) how it will know if and when it achieved what it had set out to accomplish. Strategic planning focuses on the entire organization. It will result in decisions that ensure the foundation's ability to successfully respond to changes in the environment.
2. Strategic planning is not just plan development. It is a process designed to link planning and implementation and management on an ongoing basis. Strategic planning is part of a cycle that evolves into strategic management and continues into strategic planning revisions and actions by management to continue to manage strategically. Far more important than the strategic plan document is the strategic planning process itself. There is no perfect plan, but an effective organization cannot be without one.
3. A strategy is a pattern of purposes, policies, programs, actions, decisions, or resource allocations that define what an organization is, what it does and why it does it. Strategy is about means and the attainment of ends, not the specification of ends. But some specification of ends is necessary to give planning some direction. Ends specification usually is a statement of future conditions toward which planning effort is devoted.
4. In the strategic planning process, thinking, acting, and learning are most important. There are many approaches to developing a strategic plan. Most contain are ten steps (or occasions for dialog and discussion) that are usually taken, with reassessment and revision conducted throughout: It is an iterative process and its basic steps follow.
 - a. Initiate the process and identify stakeholders.
 - b. Identify foundation mandates.
 - c. Clarify foundation's vision, mission, values, and goals and objectives.
 - d. Asses the external environments to identify strengths, weaknesses, opportunities, and challenges/threats (SWOT).
 - e. Identify the strategic issue(s) facing the foundation.
 - f. Formulate strategies to manage the issues.
 - g. Review and adopt the strategic plan or plans.
 - h. Evaluate the original foundation mission, vision, etc.
 - i. Develop an effective implementation process.
 - j. Reassess strategies and the strategic planning process.
5. As a practical matter, strategic planning rarely starts with the first step. Instead, people sense that something is wrong with the current situation and they want to know what to do. This results in

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issue-driven planning (i.e., political decision making). VSF has found itself involved in issue-driven planning. One of the crucial features of issue-driven planning is that goals do not have to be agreed upon to proceed through the planning steps. All that is needed is an agreement on a strategy that will address the issue (e.g., outreach, fundraising) and further the interests of VSF and its primary key stakeholders (e.g., the Governor, Legislators, DVS Commissioner, Donors).

6. Strategic planning is an ongoing process that must be periodically updated to keep it current. The VSF strategic plan or its supporting plans are not a part of this policy. They shall be reviewed biennially by the P&PCom.

B. Other subsidiary plans meet VSF short term requirements by setting annual goals and objectives. See Appendix C for annual goals and objectives tied to the VSF strategic plan.

F4.7 Procedures

All trustees' business procedures shall be conducted in accordance with the Code of Virginia, the VSF trustees' bylaws, and the current edition of Robert's Rules of Order Newly Revised, in order of descending precedence. VSF and its board of trustees operate on the Commonwealth fiscal year; July 1 through June 30, as do trustees' appointments. Critical to VSF procedures is scheduling to meet requirements of higher authority and accomplish functions for which VSF is responsible. Appendix D contains the VSF Biennial Fiscal Year Schedule. The board of trustees exercises its governance of the VSF organization through the administration and operational direction contained in the VSF policies.

F4.8 Policies

- A. The VSF Chair, VSF Committees, and the VSF Executive Director may make recommendations for VSF policies. The foregoing entities along with the DVS Commissioner, and DVS program directors, and DVS staff may make recommendations for joint VSF-DVS related policies.
- B. Foundation policies shall be differentiated from joint agency policies by the designation of F and a single digit number (e.g., F1. Interagency relations). Joint policies shall be identified by the letter J followed by a double digit number (e.g., J11, VSF-DVS Fundraising)..

F4.9 Application

The provisions of this policy shall apply to new plans, procedures, policies, and their revisions. Electronic submissions shall be used along with electronic concurrence of the drafts and submitted to the VSF Trustees meeting at which the draft is to be considered.

- A. The drafter shall take the lead in collecting relevant information and consolidating various plans, procedures, policies, and attendant attachments. The drafter should have institutional knowledge and know the key individuals who shall be concerned with carrying out the directive created and should consult with the DVS director(s) whose program area is affected by the recommendation, as necessary.
- B. Draft documents shall be provided electronically to the P&PCom Chair and committee members and the VSF Executive Director, including informal members (e.g., Board Chair), for review and editing. As appropriate in dealing with the development, financial, and administrative aspects, the Chairs of DevCom or FiCom shall be included. Drafts of joint policies shall be submitted through the DVS leadership structure as required.

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- C. Edited drafts would be returned to the drafter for corrections and re-review by the participants. This would continue until a consensus is reached, at which time the drafts would be distributed to the other board members for comment until a consensus is reached. If appropriate, simultaneous distribution may be used.
- D. The finalized drafts would be sent to the OAG Representative for review to ensure they are in conformity with the Code of Virginia and then distributed to board members for approval.

F4.10 Adoption and Amendment

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

On adoption, this policy supersedes VSF Policy 1 of May 6, 2009 revised on August 3, 2016.

F4.11 Policy Review Date

The policy review date is the date the policy was reviewed without revisions made. Reviewed:

F4.12 Policy Effective Date

The effective date of the policy, or policy revision, shall be the date the VSF Trustees ratify the policy.

December 12, 2019

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VSF Policy Number 4		Reviewed:

Appendix A

Virginia Code Commission List of Technical Changes

- Striking out the words/phrases: "thereof," "the same," "therein," "herein," "wherein," "thereto," "whereby," "thereafter," "therefrom," "hereof," "hereunder," "thereunder" and replacing such words with clearer, more explanatory language.
- Striking plural words used after identical singular words on the basis of § 1-227, which states that throughout the Code any word used in the singular includes the plural.
- Replacing the phrase "county, city, or town" with the word "locality" on the basis of § 1-221, which states that throughout the Code, "locality" means a county, city, or town."
- Replacing the word "must" with the word "shall" as necessary.
- Replacing the phrase "shall be" with the word "is" or "does" as necessary.
- Replacement of the phrase "shall have the authority to" with the word "may."
- Spelling out the numbers one through nine.
- Using numerals for the numbers 10 or more, except when the numbers begins a sentence or subdivision.
- Replacing the word "which" with the word "that" as necessary.
- Replacing the phrase "deed or will" with the term "written instrument" to account for all types of written instruments that are used to convey gifts of personal property. (Chapter 1)
- Replacement of the phrase "husband and wife" with "spouse" or "spouses" for consistency.
- Replacing the phrase "admitted to record" with the word "recorded."
- Replacing the word "attorney's" with the word "attorney" when referring to "attorney fees."
- Replacing the word "Virginia" with the phrase "the Commonwealth," and striking the words "of Virginia" after the word "Commonwealth."
- Except when otherwise required for context, draft in accordance with the rule of construction set forth in Va. Code § 1-216 that provides a word used in the masculine includes the feminine and neuter.
 - Delete "or she"
 - Delete "or her"
 - Delete "or herself"

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Appendix B

Glossary of Terms for VSF Policies

Administrative Expenses: These are what 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.

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.

Contingency: This is a planned situation where a VSF or DVS program need exists for funds that are not appropriated from the current Appropriations Act or approved by the Department of Planning and Budget.

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.

Emergency: This is an unplanned situation where a VSF or DVS urgent need exists for funds that are not appropriated from the current Appropriations Act or approved by the Department of Planning and Budget.

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.

Foundation Operations: They are the functions performed in support of the administration of the Foundation.

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

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Fund Allocations and Expenditures: Is concerned with appropriating, allocating, and expending financial donations from the Veterans Services Fund.

Fund Management: Includes recording, responding, accounting, and reporting donations, primarily in the Veterans Services Fund but also in state general and non-general funding for veterans and their families.

Fundraising: Begins with planning (including assessing needs and funding sources), soliciting, raising, receiving, and accepting funds or other in-kind gifts and ends with their being deposited in the Veterans Services Fund or turnover to VSF and a receipt issued to the donor.

Fundraising Expenses: These are what the VSF spends to raise money. Fundraising expenses can include campaign printing, publicity, outreach, mailing, travel, and staffing and costs incurred in soliciting donations, memberships, and grants. For the VSF, these expenses fall under the Foundation Support Fund.

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 Expenses: These are what the Foundation annually allocates primarily to the DVS programs and direct services to veterans and their families. For the VSF, these include emergency expenses associated with DVS programs, if they don't fall under Administrative Expenses.

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: This is 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.

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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.

Unrestricted Donor Fund: This is a sub-fund of the Unrestricted Revenue Fund and consists of donations made to the Foundation for direct support of veterans and their families. This fund shall not be used for administrative or fundraising expenses.

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VSF Policy Number 4		Reviewed:

Appendix C

VSF Goals and Objectives for FY2019-2020

1. VSF Board of Trustees Responsibilities:

a. **Goal:** Build 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 efficient and effective performance.

Objective(s): Support the Board Secretary and Treasurer and their resources and, in conjunction with DVS, develop other staff requirements for DVS and VSF to support mission accomplishment.

Strategic Goals: Veterans Services Fund Stability, Internal Processes, Results.

b. **Goal:** Support DVS implementation of the performance budgeting process.

Objective: Work with DVS staff to develop a performance budgeting system that: (1) focuses on results and accomplishments; (2) is a simple approach once expectations and measurements are defined; and (3) promotes equitable allocation of resources to those institutions that meet performance criteria. The end product should ensure "better" choices are made and review how well the respective choice was implemented and the respective funds were used.

Strategic Goals: Performance Budgeting, Community Building, Customer/Donor Satisfaction, Veterans' Satisfaction with VSF, and Customer/Donor Retention, Results.

c. **Goal:** Initiate and implement a VSF consumer relations management system also known as a pipeline system to improve revenue streams.

Objective: Assist VSF to stay connected to customers, streamline processes, and improve revenue.

Strategic Goals: Fund Growth and Stability, Community Building, Customer and Veterans' Satisfaction, Market Growth, Customer/Donor Retention, Internal Processes, Results.

2. VSF Development Committee Responsibilities:

a. **Goal:** Organize seeking, promoting, and stimulating contributions for the Fund to initiate funding for the unmet needs of DVS programs giving high priority to fundraising for improving the services to veterans in Virginia.

Objective(s): Maintain an agenda of unmet funding needs. Determine what elements of fundraising program will best assist VVFS including Homeless Veterans, V3 employment and transition, Care Centers, Cemeteries, and Benefits. Maintain an agenda of fundraising events, corporate outreach and individual contribution plans, a capability to respond to ad hoc opportunities, and coordination with DVS staff.

Strategic Goals: Community Building, Market Growth.

b. **Goal:** Build partnerships with VSOs, corporations, and individuals by creating methods of getting commitments for other potential supporters/donors to contribute and be recognized for their support.

Objective(s): Establish targeted sponsored activities to which sponsors can attach their identification (name or logo/brand) to build a core of annual activities that will sustain sponsors who can identify with veterans' sacrifices. In each instance, the activity should be able to be budgeted and that budget becomes the benchmark to attract funds. Establish rewards within the supported programs and for individual and organizational donors to attract additional funds.

VSF Plans Procedures, Policies	VSF Policy for the Development and Maintenance of Plans, Procedures, and Policies	Effective: 12-12-2019
VSF Policy Number 4		Reviewed:

Strategic Goals: Community Building, Market Growth, Customer/Donor Retention.

c. Goal: Enhance the image of VSF through imaging/branding of its fundraising programs as a conduit for addressing unmet veterans' needs among stakeholders and the community at large.

Objective(s): Coordinate through DVS communications office on communications efforts. Coordinate with VVFS communications program. Maintain and refine the VSF web site. Develop additional forms of donor recognition and identify donors. Develop specific recognition programs that give donors a sense of pride and ownership. Be clear on relationships with all stakeholders, including DVS staff.

Strategic Goals: Community Building, Customer/Donor Satisfaction, Veterans Satisfaction, Customer/Donor Retention.

3. VSF Finance Committee Responsibilities:

a. Goal: Continue to refine and develop financial reports so they adhere to requisite accounting practices and procedures, define available revenue and needs for expenditures in order to determine cash flow requirements.

Objective(s): Produce financial reports that can be easily understood by Trustees, DVS staff, donors, potential donors, and other stakeholders and ensure they are disseminated to the stakeholders. Ensure statements are backed up with sufficient information on revenues and expenses, both for transparency and budget planning.

Strategic Goals: Customer/Donor Satisfaction, Veterans Satisfaction, Customer/Donor Retention, Internal Processes.

b. Goal: Develop and implement a plan for effective use, growth and maintenance of a sustainable Fund endowment.

Objective: Maintain an endowment level that will support operational and contingency needs from revenues.

Strategic Goals: Veterans Services Fund Maintenance, Fund Stability, Internal Processes.

c. Goal: Continue to ensure Fund integrity.

Objective(s): Allocate fundraising income and expenses to insure a maximum percentage of revenues go to support veterans and their families. Produce quarterly and annual public reports that characterize the use of funds by VSF.

Strategic Goals: Customer/Donor Satisfaction, Veterans Satisfaction, Customer/Donor Retention, Internal Processes.

d. Goal: Assist DVS program managers in developing realistic budgets for use of VSF funds.

Objective: Participate, as requested by program managers, in annual and more frequently, if needed, FY budget development and interim reviews.

Strategic Goals: Performance Budgeting, Fund Stability, Internal Processes.

e. Goal: Provide quarterly briefings on VSF finances that provide a better understanding of the issues involved to interested stakeholders.

Objective: Work with the DVS staff, at least quarterly, to ensure the Board of Trustees, DVS staff, and other stakeholders remain current on Foundation finances.

Strategic Goals: Customer/Donor Satisfaction, Veterans Satisfaction, Customer/Donor Retention.

VSF Plans Procedures, Policies	VSF Policy for the Development and Maintenance of Plans, Procedures, and Policies	Effective: 12-12-2019
VSF Policy Number 4		Reviewed:

f. Goal: Monitor data developed by DVS managers for uses of VSF funds in a manner that assures public accountability and supports fundraising efforts on a quarterly basis.

Objective: Work with DVS staff continuously to monitor effectiveness of services provided using VSF contributed funds.

Strategic Goals: Performance Budgeting, Customer/Donor Satisfaction, Veterans Satisfaction, Internal.

4. VSF Procedures and Policy Committee Responsibilities:

a. Goal: Continually review the VSF charter in the Code of Virginia and ensure that it supports the validity and integrity of the VSF board of trustees and the VSF organizational goals and objectives in support of the Commonwealth's veterans and their families in partnership with DVS.

Objectives: Ensure the VSF trustees' bylaws and the DVS-VSF Memorandum of Understanding promote the VSF mission and cooperative functioning of both VSF and DVS.

Strategic Goals: Internal Processes, Results.

b. Goal: Conduct long, mid, and short-range planning to maintain VSF focus on its mission, goals, objectives, and actions to effectively accomplish assigned tasks.

Objectives: Maintain the: (1) VSF Strategic Plan; (2) subsidiary plans along with the VSF annual goals and objectives of the board and its committees in coordination with those committees; (3) the trustees' biennial schedule; and (4) respond to other requirements placed upon it..

Strategic Goals: Internal Processes, Results.

c. Goal: In conjunction with the trustees' committees, clarify existing VSF Policies and VSF-DVS Joint Policies on at least a biennial basis or more often, if needed, and institute other policies as needed for the effective administration of the Fund by VSF and DVS.

Objective(s): Ensure the at least a biennial review of (1) VSF policies pertaining to internal operations and agency relationships and VSF-DVS Joint Policies relating to fundraising, administration of donor funds, and allocations and expenditures of donor funds meet the requirements for which they were established.

Strategic Goals: Customer/Donor Satisfaction, Veterans Satisfaction, Internal Processes, Results.

d. Goal: Maintain continuity of VSF operations.

Objective: Examine and advise the Board of Trustees on any issues for which new or revised policy guidance is necessary.

Strategic Goals: Internal Processes, Results.

NOTE: The numbers and letters before each section and subsection do not indicate priorities.

VSF Plans Procedures, Policies	VSF Policy for the Development and Maintenance of Plans, Procedures, and Policies	Effective: 12-12-2019
VSF Policy Number 4		Reviewed:

Appendix D

VSF Biennial Fiscal Year (FY) Schedule*

Odd Numbered FY

July 1 (Starts in even numbered calendar year; e.g., July 1, 2020-June 30, 2021 for FY21)

Board Officers assume duties

First Quarter (~~August~~ or September**) meeting second week of month (Location)***

Receive APA audit report, if available

Consider and approve Goals and Objectives for current FY

Approve 4th Quarter prior FY Financial Statement *and Annual Report to Governor and General Assembly*

Approve review of VSF-DVS Policies, as required

Board Chair appoint Committee Chairs/~~Vice~~ *Assistant* Chairs

Approve next FY General and Non-general Funding Budget adjustments, if required

Approve Committee Chair/~~Vice~~ *Assistant* Chair appointments

Approve tentative meeting dates and locations

September

Board Chair to prepare Executive Director Annual Evaluation, due in October

Second Quarter (December) meeting second week of month (Location)***

Approve 1st Quarter current FY Financial Statement

Approve current FY Non-general Fund budget adjustments, if any

Approve review of VSF-DVS Policies, if needed

Approve Bylaws and MOU changes, if any

January, Wednesday second week Legislature convenes for 46 day session ending end of second week March

During mid-March

Request from DVS Budget Adjustments for current FY due mid-April

Request Budget from DVS input for next FY due mid-April

Request from DVS next biennial Non-general Fund budget requirements (i.e., in 2019 request for FY2021-22)

Third Quarter (March) meeting last week of the month (Location)***

Approve 2nd Quarter current FY Financial Statement

Approve current FY budget adjustments, if any

Approve review of VSF-DVS Policies, if needed

Elect a nominating committee

April

Nominating Committee put out call for candidates for officers' positions

VSF Plans Procedures, Policies	VSF Policy for the Development and Maintenance of Plans, Procedures, and Policies	Effective: 12-12-2019
VSF Policy Number 4		Reviewed:

Fourth Quarter (June) meeting second week of the month (Location)***

- Review current FY Goals and Objectives as a baseline for next FY Goals and Objectives
- Approve 3rd Quarter FY17 Financial Statement
- Approve budget adjustments, if any
- Consider *and approve* next Biennial Budget starting in next odd numbered FY (See above example)
- Approve next FY schedule of dates and locations of Board meetings
- Elect officers for next FY

*At all meetings, as appropriate, receive VVFS, V3, and other DVS activity updates.

**Depending on DPB Schedule for budget

***In odd numbered years review all VSF-DVS Policies, Bylaws, and MOU

VSF Biennial Fiscal Year (FY) Schedule*

Even Numbered FY

July 1 (Starts in odd numbered calendar year; e.g., July 1, 2019-June 30, 2020 for FY20)
Board Officers assume duties

First Quarter (August-September) meeting first or second week of month (Location)**

- Receive APA audit report, if available
- Consider and approve Goals and Objectives for current FY
- Approve 4th Quarter prior FY Financial Statement *and Annual Report to Governor and General Assembly*
- Board Chair appoint Committee Chairs/*Vice Assistant* Chairs
- Approve ~~biennial FY Budget Proposal for General and Non-general~~ Fund allocations
- Approve Legislative Initiatives, if required *in August*
- Approve Committee Chair/Vice Chair appointments

September

Board Chair to prepare Executive Director Annual Evaluation, due in October

Second Quarter (December) meeting first or second week of month (Location)

- Approve 1st Quarter current FY Financial Statement
- Approve current FY budget adjustments, if any

January, Wednesday second week Legislature convenes for 60 day session ending end of fourth week in March

During mid-March

- Request Budget Adjustments for current FY due mid-April
- Request Budget input/adjustments for next FY due mid-April

VSF Plans Procedures, Policies	VSF Policy for the Development and Maintenance of Plans, Procedures, and Policies	Effective: 12-12-2019
VSF Policy Number 4		Reviewed:

Third Quarter (March) meeting last week of month (Location)

- Approve 2nd Quarter current FY Financial Statement
- Approve current FY budget adjustments, if any
- Approve review of VSF-DVS Policies, if needed
- Confirm dates and locations of next FY Board meetings
- Elect a nominating committee

April

- Nominating Committee put out call for candidates for officers' positions

Fourth Quarter (June) meeting first or second week of the month (Location)

- Review current FY Goals and Objectives as a baseline for next FY Goals and Objectives
- Approve 3rd Quarter current FY Financial Statement
- Approve budget adjustments, if any
- Consider current biennial FY Budget adjustments (As will be required for the coming odd year GA Session)
- Elect officers for next FY

*At all meetings, as appropriate, receive VVFS, V3, and other DVS activity updates.

**Depending on DPB Schedule for budget