



Board Member Agreements

The West End Health Foundation agrees to provide each member of the board with the following:

1. Access to the management of foundation, as needed for proper operation of the board
2. Ample notice of all meetings
3. Minutes of all board meetings
4. Relevant information to conduct his or her job as a board member
5. To the extent allowed by law, indemnification from liability for a board member's reasonable and necessary actions
6. Reimbursement for reasonable expenses in conducting and attending to foundation board business
7. Directors & Officers insurance liability coverage
8. Respect for his or her time
9. The use of his or her talent effectively

The board member agrees to do the following as a foundation policy volunteer:

1. Learn about West End Health Foundation, read financial reports and other foundation documents, and keep up-to-date on programs, finances, and management.
2. Attend as many board and committee meetings as practicable, and participate in all such meetings, using fair, independent judgment and due care in conducting the business of the foundation.
3. Avoid all direct or indirect political campaign intervention (such as supporting or opposing candidates for public office) in the name of the foundation and when using foundation assets.
4. Contribute to the financial well-being of West End Health Foundation and seek financial support from others for the foundation as well.
5. Avoid all conflicts of interest with the foundation.
6. Be loyal to foundation, always exercising board powers in the interest of the foundation, and not for the interest of yourself or others.
7. Keep all West End Health Foundation matters confidential.

Signed: _____
WMCHF President Board Member

Dated: _____

Board Member Expense Reimbursement

Whenever possible, board members are expected to bear all travel-related costs associated with attending board meetings, committee meetings, or discharging any other governance responsibilities assigned by the board president. When a board member is unable to bear such costs, in whole or in part, appropriate receipts should be submitted to the treasurer of the West End Health Foundation for reimbursement by the organization.

Board Self-Assessment

The board of the West End Health Foundation will conduct a self-assessment every 3 years or at any other time deemed appropriate and determined by the board president after consultation with the board. The board should review the most recent organizational strategic plan for the organization adopted by the board. After reviewing the goals achieved, the goals unmet, and the goals that need modification, the board will conduct a self-assessment. A review of these plans should provide the framework for the assessment. The board should also review its previous self-assessment summaries and may find the use of a consultant especially helpful. Review materials will be submitted to the secretary for consolidation and the secretary shall submit a summary report to the board at the conclusion of the assessment. This report will provide a basis for improving board member orientation, board member conferences or other programs of continuing education for board members.

Role of the Board

Responsibilities

1. The governing body of the organization shall be the board, which establishes policy, directs the activities of the elected officials and committees, and approves all action pertaining to the business of the West End Health Foundation.
2. The board approves the organization's strategic plan, which shall be updated at least every 3 years, or any other time deemed appropriate by board president and board of directors.
3. The budget of the organization shall be presented on an annual basis and approved by the board prior to its effective date.
4. The board reviews committees' and officers' report and makes recommendations concerning committees' activities.
5. The board authorizes the official acts of the elected officials and committees, including position papers and oral or written testimony.
6. The board has the responsibility for retaining legal counsel and approving the retainer fee paid to legal counsel. The board evaluates the services rendered by legal counsel annually, prior to the renewal of the retainer agreement.
7. The board has the responsibility for retaining an auditor. The board evaluates the performance by the auditor on an annual basis prior to renewal of his or her contract.
8. The board has the responsibility for retaining staffing needs.
9. The board must approve all new policies and policy revisions before they are incorporated into the policy manual.
10. The board approves the charter of each committee.

11. The board will meet at least 4 times during the calendar year.
12. The board president, in consultation with the executive committee, may call special meetings.
13. Attendance of elected officials is required at all board meetings and official foundation functions. Request to be excused shall be sent as soon as possible to the board president.
14. The board should evaluate itself annually.
15. An officer owes his or her loyalty to the organization and may not, without permission of the board, use the position as officer or director to his or her own advantage.
16. An officer or director may not be a designated representative of two organizations that have a conflict of interest.
17. West End Health Foundation officers may not serve on the board of another organization whose primary or secondary activity is related to the activities of the foundation without prior approval of a majority of the board.

ETHICS AND ACCOUNTABILITY

Code of Ethics

West End Health Foundation's mission can only be realized through a common code of ethics upheld by our officers, board of directors, and staff.

- We expect integrity, honesty, and trustworthiness in our work; courage in our decisions; and dedication to the foundation's values and beliefs.
- We expect responsible action on behalf of the organization and are accountable and transparent to our constituents and to one another. We share information when appropriate without sacrificing confidentiality.
- We expect to be treated and to treat others with respect. We respect the opinions of and the differences among individuals.
- We expect fairness to be evident in our actions internally and externally. We are equitable in our decisions and mindful of their impact on other groups and people.
- We expect our actions to demonstrate our care for others and the community as a whole. We support each other in a humane manner. We care about the well-being of each other, the community, and the foundation's organization.

Confidentiality

It is the policy of the West End Health Foundation that board members and employees may not disclose, divulge, or make accessible confidential information belonging to, or obtained through their affiliation with the foundation to any person who does not have a legitimate need for such information and to whom foundation has authorized disclosure. Board members and employees shall use confidential information solely for the purpose of performing services as a board member or employee. This policy is not intended to prevent disclosure where disclosure is required by law.

Board members and employees must exercise good judgment and care at all times to avoid unauthorized or improper disclosures of confidential information. Conversations in public places, such as restaurants, elevators, and airplanes, should be limited to matters that do not pertain to information of a sensitive or confidential nature. In addition, board members and

employees should be sensitive to the risk of inadvertent disclosure and should, for example, refrain from leaving confidential information on desks or otherwise in plain view.

At the end of a board member's term in office or upon the termination of an employee's employment, he or she shall return, at the request of the foundation, all documents, papers, and other materials that may contain or be derived from confidential information in his or her possession.

Conflict of Interest

West End Health Foundation, as a nonprofit, tax-exempt organization, depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. Therefore, the operations of the foundation first must fulfill all legal requirements. They also depend on the public trust and thus are subject to scrutiny by and accountability to both governmental authorities and members of the public.

Consequently, there exists between the foundation and its board, officers, and management employees a fiduciary duty that carries with it a broad and unbending duty of loyalty and fidelity. The board, officers, and management employees have the responsibility of administering the affairs of the foundation honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of the foundation. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the foundation or knowledge gained there from for their personal benefit. The interests of the organization must have the first priority in all decisions and actions.

A conflict of interest is present whenever a trustee or officer of the foundation has a financial interest in a proposed transaction or is a director or officer of the other entity to the proposed transaction. Such transactions may include services provided by the foundation to fund holders, grants given to charitable organizations on which the trustee or officer also serves as an officer or director, purchase of services and/or tangibles from a vendor, and/or access to specialized or privileged information that can be used for personal gain.

The state of nonprofit corporation law provides that transactions between (i) a nonprofit organization such as the foundation and (ii) any other corporation, partnership, association, or other organization in which one or more of the nonprofit organization's directors or officers are directors or officers, or have a financial interest, while not prohibited outright, are nonetheless subject to question. Such transactions may be void or voidable unless a good-faith disclosure of any such interest is made to the nonprofit organization prior to the nonprofit organization's entry into the transaction. It is also possible that directors and officers who fail to comply with the requirements of this law may incur liability to the extent the nonprofit organization is damaged.

Therefore, in accordance with this law the foundation requires its trustees and officers to disclose all interests that they or a family member has in other for-profit or nonprofit entities

where it is foreseeable that the foundation may enter into a contract or award a grant or have other business or financial dealings with the entity. This shall include, but not be limited to, financial interests, officerships, directorships, and other similar substantial interests in any such entities.

Trustees and officers of the foundation are asked to maintain independence, objectivity *and confidentiality* and to do what a sense of fairness, ethics, and personal integrity dictate even though not necessarily obligated to do so by law, regulation, or custom. Trustees and officers shall refrain from voting on a proposed grant if they are in a conflict-of-interest situation and, if appropriate, shall withdraw from the meeting.

In order to avoid even the appearance of a conflict of interest that might embarrass the board or the foundation, trustees and officers must disclose any actual or possible conflicts, and the nature thereof, to the board president of the foundation annually, or as such situations may arise.

Record Retention and Document Destruction

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding, this policy provides for the systematic review, retention, and destruction of documents received or created by West End Health Foundation in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept, and how records should be destroyed (unless under a legal hold). The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records, and to facilitate the foundation's operations by promoting efficiency and freeing up valuable storage space.

Document Retention

The foundation follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

Corporate Records

Annual Reports to Secretary of State/Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
Bylaws	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent

Contracts (after expiration)	7 years
Correspondence (general)	3 years
<i>Accounting and Corporate Tax Records</i>	
Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
IRS Form 990 Tax Returns	Permanent
General Ledgers	7 years
Business Expense Records	7 years
IRS Forms 1099	7 years
Journal Entries	7 years
Invoices	7 years
Sales Records (box office, concessions, gift shop)	5 years
Petty Cash Vouchers	3 years
Cash Receipts	3 years
Credit Card Receipts	3 years
<i>Bank Records</i>	
Check Registers	7 years
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
<i>Payroll and Employment Tax Records</i>	
Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax Returns	7 years
W-2 Statements	7 years
<i>Employee Records</i>	
Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Records Relating to Promotion, Demotion, or Discharge	7 years after termination
Accident Reports and Worker's Compensation Records	5 years
Salary Schedules	5 years
Employment Applications	3 years
I-9 Forms	3 years after termination
Time Cards	2 years
<i>Donor and Grant Records</i>	
Donor Records and Acknowledgment Letters	7 years
Grant Applications and Contracts	7 years after completion

Legal, Insurance, and Safety Records

Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	6 years after expiration
OSHA Documents	5 years
General Contracts	3 years after termination

Electronic Documents and Records

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

Emergency Planning

The foundation’s records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the foundation operating in an emergency will be duplicated or backed up.

Document Destruction

The foundation’s foundation manager is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Compliance

Failure to follow this policy can result in possible civil and criminal sanctions against the foundation and possible disciplinary action against responsible individuals. The board president or executive committee will periodically review these procedures with legal counsel or certified public accountant to ensure that they are in compliance with new or revised regulations.

Values

West End Health Foundation believes:

- Philanthropy contributes to a thriving democracy and is a privilege and a responsibility.

- Grant making is a partnership with grantees and the public, conducted in the public trust.
- Philanthropy must be undertaken seriously and responsibly, adhering to all laws and principles of fiduciary responsibility.
- Thoughtful grant making is informed by different perspectives, opinions, and experiences.

In accordance with these beliefs

1. We deal respectfully and courteously with our applicants, grantees, and donors as well as with those seeking information about our programs. We honor the confidentiality of our applicants, grantees, and donors and exercise discretion in our communications.
2. We are clear and accessible about our goals and grant making processes, and make information about our application requirements, funding priorities, and programs available on a timely basis.
3. We adhere to the highest ethical, legal, and fiduciary standards in our operations. We recognize and disclose conflicts of interest and work to avoid perceived conflicts of interest. We maintain active oversight of all financial and investment matters.
4. We regularly assess our mission and practices, including periodic review of priorities, policies, board activity, communications, and the impact of our grant making.
5. We seek to continually educate ourselves and expose ourselves to different perspectives, opinions, and experiences, and, where appropriate, to share our learning and experience with our grantees, the public, and government officials.

Whistleblower

The Statement of Values and Code of Ethics adopted by West End Health Foundation requires all staff, board members, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. Set forth below is the foundation's policy with respect to reporting good-faith concerns about the legality or propriety of foundation actions or plans.

It is the responsibility of all staff, board members, and volunteers to comply with the foundation's Code of Ethics and applicable law and to report violations or suspected violations in accordance with this Whistleblower Policy.

The Foundation will treat all communications under this policy in a confidential manner, except to the extent necessary 1) to conduct a complete and fair investigation, or 2) for review of the foundation operations by the foundation's board, its audit committee, independent public accountants, and legal counsel.

The foundation will not permit any negative or adverse actions to be taken against any employee or individual for making a good-faith report of a possible violation of its Code of Ethics or applicable law, even if the report is mistaken, or against any employee or individual who assists in the investigation of a reported violation. Retaliation in any form will not be tolerated. Any act of alleged retaliation should be reported immediately and will be promptly investigated. An employee who retaliates against someone who has reported a violation in

good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the foundation prior to seeking resolution outside the organization.

How To Report Concerns or Complaints

Employees and others may communicate suspected violations of its Code of Ethics, applicable law, or other wrongdoing or alleged retaliation by contacting the foundation's board president. If you wish to remain anonymous, it is not necessary that you give your name or position in any notification.

Whether or not you identify yourself, for a proper investigation to be conducted, please provide the foundation with as much information as you can, sufficient to do a proper investigation, including where and when the incident occurred, names and titles of the individuals involved, and as much other detail as you can provide.

Illustrative Types of Concerns

The following is a non-exhaustive list of the kinds of improprieties that should be reported:

- Supplying false or misleading information on the foundation's financial or other public documents, including its Form 990
- Providing false information to or withholding material information from the foundation's board or auditors
- Destroying, altering, mutilating, concealing, covering up, falsifying, or making a false entry in any records that may be connected to an official proceeding, in violation of federal or state law or regulations
- Altering, destroying, or concealing a document, or attempting to do so, with the intent to impair the document's availability for use in an official proceeding or otherwise obstructing, influencing, or impeding any official proceeding, in violation of federal or state law or regulations
- Embezzling, self-dealing, private inurement (i.e., foundation earnings inuring to the benefit of a director, officer, or senior management) and private benefit (i.e., foundation assets being used by anyone in the organization for personal gain or benefit)
- Paying for services or goods that are not rendered or delivered
- Using remarks or actions of a sexual nature that are not welcome and are likely to be viewed as personally offensive, including sexual flirtations; unwelcome physical or verbal advances; sexual propositions; verbal abuse of a sexual nature; the display of sexually suggestive objects, cartoons, or pictures; and physical contact of a sexual or particularly personal nature.
- Using epithets, slurs, negative stereotyping, and threatening, intimidating, or hostile acts that relate to race, color, religion, gender, national origin, age, or disability
- Circulating or posting written or graphic material in the workplace that denigrates or shows hostility or aversion toward an individual or group because of race, color, religion, gender, nationality, age, or disability

- Discriminating against an employee or potential employee due to a person’s race, color, religion, sex, sexual orientation, national origin, age, physical or mental impairment, or veteran status
- Violating the West End Health Foundation’s Statement of Values and Code of Ethics, Conflict-of-Interest Policy, Harassment Policy, or Equal Employment Opportunity Policy
- Facilitating or concealing any of the above or similar actions

FINANCE AND INVESTMENTS

Spend Policy

The West End Health Foundation (The Foundation) has chosen to establish a spending policy to help ensure continuing operation of the Foundation in perpetuity. The purpose of the Spending Policy is to establish an annual grant-making and operating expense allocation. The Foundation is entrusted with management of the Foundation’s investments and carrying out the objectives stated in the Foundation’s mission statement. The Foundation will utilize any withdrawals from the investment portfolio for the purposes of carrying out these objectives. The Spending Policy is intended to:

- Provide the means for future Foundation Board of Directors to follow a consistent method for determining withdrawal amounts.
- Allow for grant-making during periods of extended market decline and to continue to achieve the objectives of the Foundation.
- Preserve purchasing power of the Foundation’s investment portfolio to ensure that the Foundation operates in perpetuity

The annual spendable amount calculated in the formula below need not necessarily be spent each year, but instead establishes a maximum spending amount to be taken from the investment portfolio.

Each October, the spendable amount for the following calendar year will be calculated by multiplying the average total market value of the investment portfolio at the end of the preceding twenty (20) quarters by four (4) percent (%). Quarterly balances dated March 31, 2018, and earlier, will be reduced by \$851,000 to reflect an unusual withdrawal that was taken outside of the Spending Policy. Any such withdrawals made in the future will be handled in the same way.

The revised Spending Policy will be added to the WEHF Policies and Procedures Manual and will be used effective March 18, 2019.

Budget Process and Review

The budget process is designed to provide;

- A means by which spending limits are set based on expected revenue levels.
- A system to allow for procedures to compare actual results to the set spending limits.

- A means for setting program priorities and allocating resources to those priorities.
- A means for comparison of actual financial results to budgeted amounts and analysis of differences from those budgeted amounts.

Preparation of Budget

Prior to the end of the fiscal year, the finance committee will review the financial activity for each of the prior two fiscal years, including actual results of operations for those two fiscal years, mission of the organization, goals, short-term plans, and any other relevant information deemed appropriate. the finance committee will draft budget to present to the board for the following fiscal year.

Approval of Budget

After preparation of the budget for the next fiscal year, copies of the budget, proposals for cost reductions, and proposals for cost increases shall be sent to all board members. At the annual board meeting, the board shall meet to discuss and approve or reject the budget. If the budget is rejected, the board shall direct the treasurer and finance committee to amend the budget for changes as directed by the board.

Review of Budget

Once the budget has been set for the fiscal year, the budget shall be included in the accounting system (QuickBooks) of West End Health Foundation. As monthly financial statements are prepared, a comparison of actual monthly results of operations to budget figures shall also be prepared. The financial statements and budget variances (with detailed explanations) shall be reviewed by the board. When deemed necessary, the board shall revise the budget to fund additional services or make allowances for other unbudgeted revenues or expenses.

Capital Expenditures

To the extent practical, capital expenditures for foundation will be incorporated into the annual budget. The following guidelines will govern the acquisition of all capital expenditures:

- All capital expenditures are acquired pursuant to a purchase order.
- The board President or an appointed board representative must approve all purchases over \$500.00.
- The treasurer may acquire capital expenditures specifically identified in the annual budget approved by the board.
- The annual budget may have some nominal allocation for smaller capital expenditures.
- A fixed-asset inventory of office equipment, computers, and printers will be maintained and adequate insurance will be maintained.

Financial Audits

In order to ensure financial accountability, the West End Health Foundation will have its financial statements reviewed or audited by an independent auditing firm on an annual basis. Whether financial audit or reviewed financials is used will be based upon the constructs defined within the State of Michigan Intent to Solicit. The selection of the firm to conduct the audit will

be approved by the board. The auditor's report, management letter, and IRS Form 990 will be presented to the board for approval. A copy of the audited or reviewed statement will be distributed to the full board. The audited or reviewed financial statements will also be made available to anyone else who requests them.

Financial Controls

Accounts

Western Marquette County Health Foundation shall maintain its accounts in financial institutions that are federally insured. All funds received by the foundation shall be deposited in a timely fashion. All nonproductive funds shall be invested in accordance with the investment policy established by the board.

Authority To Sign

Orders of withdrawal shall bear the signature of one of the following officers:

- Board President
- Vice President
- Treasurer
- Secretary

Any checks payable to any one of the above-named persons shall be signed by someone other than the payee. Checks over the amount of \$5,000 require two signatures.

Bonding

Each officer or designated signatory with authority to withdraw funds shall be bonded. The cost associated to secure the aforementioned coverage shall be that of foundation. The amount of insurance coverage will be reviewed annually by the finance committee.

The finance committee shall at least two times per year to review the financial standing of the foundation.

Investments

The board appointed investment counsel shall invest the foundation's short-term funds in such a way as to maximize return while protecting principal and will follow the guidelines listed below.

- The finance or investment committee on a regular basis should review investment activity.
- When held in commercial bank, investment of foundation funds should not exceed \$500,000 in any one institution for federal insurance purposes, unless approved by the board.
- Accounts such as interest-bearing checking accounts, money market accounts, certificates of deposit, investment-grade commercial paper, and government securities are to be the primary short term investments. Investing in any other type of investment

vehicle requires counsel from the investment firm and prior approval by the finance or investment committee.

- A current list of financial institutions approved as depositories for investment will be kept on file and updated regularly by the committee. This list includes commercial banks, savings and loans, insurance companies, and brokerage houses insured by the Securities Protection Investment Corporation.
- Within guidelines, maximum interest rates shall be sought, with the maturity of the investments governed by expected cash needs.
- All securities are to be written in the name of Western Marquette County Health Foundation and/or West End Health Foundation.
- On an as-needed basis, the board will review the approved Investment Policy Statement presented by the foundation's contracted SPIC Investment Firm to gauge risk factor.

IRS 990 or IRS 990 PF

The board shall ensure that the following steps toward public disclosure of West End Health Foundation's financial status take place:

- Review Form 990 by legal counsel each year.
- Distribute, to the full board, a copy of the Form 990 in advance of filing for review and consideration.
- File accurate, complete, timely, and in compliance with regulatory requirements Form 990 by IRS deadlines each year, extensions must be approved by the board.
- Disclose to the general public, through the organization's Web site, Form 990 and the reviewed or audited financial statements.

Reserves and Endowments

We currently do not operate as an endowment, however West End Health Foundation reserves the right to establish an unrestricted endowment fund to support the general purposes of the organization. The principal is to be invested in a prudent manner in accordance with the investment policy as prescribed from time to time by the board, and the income (defined as total return income) is to be used to support the organization's general purposes.

The foundation may allow the creation of named endowments to recognize a donor and his or her wishes.

The board, or its designated committee, shall retain the right to dissolve endowments and use the principal for general purposes or for the restricted purposes contained in each endowment when, in the board's discretion, the purposes of the endowment can no longer be met or the organization's needs may so require.

The endowment fund shall annually distribute an amount as determined by a percentage deemed appropriate by the board. ranging from five percent of the fund's average value as calculated in this paragraph. The distributions shall be made quarterly in an amount equal to

[one and one-quarter] percent of the calculated distribution value. The distribution value is the average of the fair market value of the fund as of the close of each of the preceding 20 calendar quarters. The fund's market value shall be based upon all assets in the fund including principal and retained income, adjusted for all gains and losses, whether realized or unrealized, and determined as of the last business day of the quarter. The distributions shall be made promptly following the close of each quarter. To the extent that it may legally do so, the organization shall interpret this policy as satisfying a gift provision that calls for retaining principal and distributing income.

Risk Management

Insurance

West End Health Foundation will purchase necessary policies to insure the organization against risk. Types of insurance to be purchased should include

- Insurance against employee theft and dishonesty
- Indemnification
- General liability (personal and property damage and punitive damage)
- Nonprofit Officers' and Directors' Liability
- Workers' Compensation (if needed when it directly employs a person)

Additional types of insurance needed to protect the organization must be approved by the board.

FUNDRAISING

Board Member Fundraising

Fundraising is a major part of a board member's responsibility, and financial support of the Foundation and special events is expected.

In addition to any organization-wide fundraising activities approved by the board, board members may be asked to engage in individual fundraising activities on behalf of West End Health Foundation, including:

- Annual end-of-year fundraising letter to personal and professional contacts
- Yearly fundraising activities in their communities
- Making contacts for support of foundation programs; seeking assistance from other board members if needed
- Encouraging local members [or supporters] to consider planned giving

Conduct Policy Acknowledgements

Board members are encouraged to make the foundation a priority in their personal giving. Board members are expected to be involved in fundraising by using their personal and business connections when appropriate, by soliciting funds when appropriate, by serving on fundraising committees, and by attending fundraising events.

Donor Relations

THE DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

- I. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- II. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- III. To have access to the organization's most recent financial statements
- IV. To be assured their gifts will be used for the purposes for which they were given.
- V. To receive appropriate acknowledgement and recognition
- VI. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- VII. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- VIII. To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
- IX. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- X. To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answers.

Gift Acceptance

West End Health Foundation receives gifts in the form of cash, checks, and securities. Securities are received into the investment account maintained at Bell Financial, which is located in Marquette, MI. Gifts of securities will be acknowledged to the donor at the value received into the account, as of the day received. All securities will be sold immediately upon receipt into the account. The funds available after the sale will be invested only in the foundations existing investment pool.

The purpose of this gift acceptance policy is to give guidance and counsel to those individuals within West End Health Foundation concerned with the planning, promotion, solicitation, receipt, acceptance, management, reporting, use, and disposition of private sector gifts.

These policies must be viewed as flexible and realistic in order to accommodate unpredictable situations as well as donor expectations, as long as such situations and expectations are consistent with the foundation's mission and policies. Flexibility must be maintained since some

gift situations will be complex, and proper decisions can be made only after careful consideration of all related factors. These policies may, therefore, require that the merits of a particular gift be considered by the appropriate staff and/or committee of the board along with legal counsel and directors if necessary.

All fundraising activities and gift acceptance policies, and their day-to-day implementation, are designed and managed by the executive director, in conjunction with the fundraising committee, and are subject to approval by the board.

The board, through the finance committee and the treasurer, is responsible for the gift acceptance policy. This responsibility cannot be delegated or waived. These policies and authorizations shall be reviewed by the finance committee on an annual basis or as circumstances warrant.

Policy Statements

Board Acceptance of Gifts

The board shall exercise its public trust, as mandated by statute, in making final decisions for the acceptance of all gifts and grants and for any exception to its policies and guidelines. Gifts and gift instruments may be received by the executive committee but can be accepted officially only by the board as managers of the public trust. The foundation shall accept only those gifts the transference and implementation of which shall be deemed consistent with the public laws and/or regulations of the United States of America and the State of Michigan.

Philanthropic Intent

The board shall determine that gifts to the foundation are evidence of philanthropic intent and that the donor's philanthropy is in accord with the stated mission and goals of the foundation. The purpose is to prevent the foundation from being an object of philanthropic intent for either designed or innocent avoidance of taxes, prejudiced purposes, or evaluation of gifts without generous, advanced, objective, experienced evaluation.

Ethics

The board shall assure itself that all philanthropic promotions and solicitation are ethical by adopting policies that prohibit foundation personnel from benefiting personally by way of commissions or other devices related to gifts received.

Review Legal Arrangements

Legal counsel retained by West End Health Foundation shall, as required, review legal documents, contracts, and all donor agreements. The foundation shall seek the advice of legal counsel in all matters pertaining to its planned giving program. All agreements shall follow the formats of the specimen agreements to be approved by legal counsel unless counsel has agreed in writing to a change for a specific agreement.

The foundation shall encourage donors to seek their own counsel in matters relating to their bequests, life income gifts, tax planning, and estate planning. All legally binding documents

involving gifts over \$10,000 shall be prepared and/or reviewed by counsel retained by the donor, to avoid any conflict of interest or undue influence. Alternatively, a donor may sign a document prepared by the foundation, releasing the foundation from any liability and waiving any conflict.

Professional Fees

While West End Health Foundation is happy to offer assistance to attorneys and other professional advisors by providing specific language to be used in charitable giving instruments, it cannot pay any attorney's or advisor's fees associated with this work.

Unacceptable Gifts

The foundation reserves the right to refuse any gift that is not consistent with its mission. In addition to and without limiting the generality of, the following gifts will not be accepted by the foundation:

- Gifts that violate any federal, state, or local statute or ordinance
- Gifts that contain unreasonable conditions (e.g., a lien or other encumbrance) or gifts of partial interest and property
- Gifts that are financially unsound
- Gifts that could expose the foundation to liability

Stewardship

West End Health Foundation will be responsible for good stewardship toward its donors by following these guidelines:

- All gifts will be acknowledged within the required, or otherwise reasonable, period of time.
- All gift acknowledgment letters/receipts will be prepared by the treasurer or secretary or his or her designee.
- Gifts to the foundation shall be reported in a manner consistent with the standards recommended by the Association of Fundraising Professionals (AFP) or the National Council on Planned Giving (NCPG).
- Files, records, and mailing lists regarding all donors and donor prospects are maintained and controlled by the foundation. Maximum use will be made of information and contacts that members of the board, various volunteer groups, or the staff have with potential donors. Written reports of interviews and solicitations will be maintained in the donor prospect file and/or computer.
- This information is confidential and is strictly for the use of foundation board and staff. Use of this information shall be restricted to organization purposes only. Donor has the right to review his or her donor fund file(s).
- Should the gift be restricted, the foundation will provide the donor with a narrative and financial report detailing the activities made possible by their support. This report will be submitted to the donor within 365 days of the completion of the underwritten activities.

- Gifts to the foundation and accompanying correspondence will be considered confidential information, with the exception of the publication of donor recognition societies. All donor requests for confidentiality will be honored.
- Names of donors will not be provided by West End Health Foundation to other organizations, nor will any lists be sold or given to other organizations.

Conflict of Interest

The West End Health Foundation board will assure itself that personnel or volunteers are circumspect in all dealings with donors in order to avoid even the appearance of any act of self-dealing. The board will consider a transaction in which the employee has a “material financial interest” with a donor an act of self-dealing. In reviewing self-dealing transactions, the board shall consider financial interest “material” to an employee if it is sufficient to create an appearance of a conflict. In each case, this will be a question of fact.

The board will examine all acts of self-dealing including, but not limited to prohibition against personal benefit. Those individuals who normally engage in the solicitation of gifts on behalf of the foundation shall not personally benefit by way of commission, contract fees, salary, or other benefits from any donor in the performance of their duties on behalf of the foundation.

Conformity to Federal and State Laws

The board will assure itself that fundraising activities comply with local, state, and federal laws.

Gift Valuations

West End Health Foundation shall follow accepted guidelines for the valuation of gifts such as stock, real estate, personal property, and life insurance that require specific methods of valuation for the protection of both the donor and foundation.

Gifts of art, furniture, books, stamps, coins, and other collections must have values assessed by properly accredited independent appraisers retained by potential donors for appropriate gift tax credit. The foundation shall acknowledge receipt of such properties but must not verify values.

Required Reporting of Gifts to the Internal Revenue Service

Should West End Health Foundation sell, exchange, or otherwise dispose of any gift (other than checks, cash, or publicly traded stocks or bonds), within two years after the date of the gift, the foundation will furnish the Internal Revenue Service and the donor with a completed Form 8282.

Sponsorship and Endorsements

West End Health Foundation actively solicits and encourages the business community, service clubs, and other organizations to become sponsors of foundation events, programs, and services. The foundation enters into sponsorship agreements with sponsors it deems appropriate. Sponsorship agreements may vary by sponsor.

A sponsorship is defined as a mutually beneficial exchange arranged in advance whereby

- Foundation obtains support for a specified activity.
- Sponsor receives value in return for cash and/or products and services-in-kind to foundation.
- Quid Pro Quo for charitable return

Sponsorship Approvals

West End Health Foundation's board has the right to refuse an offer of sponsorship that is deemed inappropriate or incompatible with the mission, goals, or best interests of West End Health Foundation.

Conditions of Sponsorship

The foundation undertakes to ensure that all partners understand that the sponsorship agreement will have no impact on the policies or practices, such as materials selection or purchases, of the foundation. Use of West End Health Foundation's name or logo is strictly controlled. Any use of the foundation's name or logo by community or business partners requires prior approval in writing.

A partnership agreement will define the terms of the sponsorship (e.g., project details, timing, limitations, invoicing, and formal recognition of the sponsorship) and any recognition to be provided to the sponsor. The sponsorship agreement will have a set time period and all obligations on the part of foundation and the sponsor will end upon the termination of the agreement, unless otherwise specified in the agreement.

Certain partnership agreements may entitle a sponsor to exclusivity. In all other cases a sponsor may not limit the foundation's ability to enter into other sponsorships.

Sponsor Recognition

Sponsors will be provided with a level of recognition commensurate with their contribution. Recognition shall be in conjunction with, but not limited to, the programs or services that are supported by the sponsor.

Charitable Tax Receipts

Charitable receipts may not be issued for sponsorships where the sponsor receives a benefit such as advertising or promotion in return for the donation. However, the foundation will issue an appropriate numbered receipt to its business partners for tax purposes.

COMMUNICATIONS

Website Policy

Privacy: West End Health Foundation respects the privacy of each visitor to the foundation's website. The foundation may use cookies. Any personal information provided by a visitor will be used solely by the foundation for internal purposes and, where appropriate, to contact individuals directly. Personal information will not be sold and will be shared only with those third-party service providers who perform functions on our behalf, including processing credit

card payments, providing customer service, removing repetitive information from customer lists, analyzing data, and providing marketing assistance.

Copyright: The contents of all materials contained on the foundation's Web site are owned by the organization (unless otherwise indicated) and are protected by U.S. and international copyright laws. All rights are reserved by West End Health Foundation, and visitors may not copy, reproduce, download, upload, republish, disseminate, post, distribute, or transmit by any means the contents of the Web site, except with the prior express written permission of the foundation. Copyright infringement is a violation of U.S. federal law, and violators are subject to criminal and civil penalties.

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At certain places on the website, live links to other Internet addresses ("third-party sites") can be accessed. Such third-party sites contain information created, published, maintained, or otherwise posted by institutions or organizations independent of the foundation. The foundation does not endorse, approve, certify, or control these third-party sites and therefore cannot guarantee the accuracy, completeness, efficacy, timeliness, or correct sequencing of information located at such addresses. The information on the foundation's website and third-party sites is provided "as is" and without warranties of any kind, either express or implied. To the fullest extent permissible pursuant to applicable law, the foundation disclaims all warranties, express or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose. Use of any information obtained from such third-party sites is voluntary, and reliance upon it should only be undertaken after an independent review of its accuracy, completeness, efficacy, and timeliness. Reference therein to any specific commercial product, process, or service by trade name, trademark, service mark, manufacturer, or otherwise does not constitute or imply endorsement, recommendation, or favoring by the foundation.

The website, its contents and any links provided in the website are provided on an "as is" basis, and the foundation disclaims all warranties, express or implied, including without limitation the warranties of title, non-infringement, merchantability, and fitness for a particular purpose. Your use of the website is at your own risk, and you assume full responsibility for all costs that arise out of its use. Neither the foundation nor any of its officers, directors, partners, employees, affiliates, subsidiaries, agents, representatives, or licensors shall be liable to you or any third party for any compensatory, direct, indirect, incidental, special, exemplary, punitive, or

consequential damages, or attorneys' fees, arising out of your use of the website or inability to gain access to or use the website or out of any breach of any warranty, even if such parties have been advised of the possibility of such damages or such damages were foreseeable.

Media Relations

Board Members are authorized to speak with the media. The board designate shall collaborate on message development and coordinate who will handle which press inquiries. Provided that they have prior permission to do so employees and board members acting in a capacity with a committee or a caucus shall speak publicly on behalf of the foundation only in accordance with established public speaking procedures.

Key Points To Remember When Dealing with the Media:

- Be polite.
- Be helpful.
- Find out what the reporter needs to know and what his or her deadline is.
- Don't let a deadline pass without a response.
- Don't get drawn into providing information or opinions that you don't have the authority to provide.
- Always inform the an authorized representative of the call for follow-up.

Lobbying and Political Activity

West End Health Foundation encourages individual participation in civic affairs. However, as a charitable organization, the foundation may not make contributions to any candidate for public office or political committee and may not intervene in any political campaign on behalf of or in opposition to any candidate for public office.

We therefore:

- Refrain from making any contributions to any candidate for public office or political committee on behalf of the foundation.
- Refrain from making any contributions to any candidate for public office or political committee in a manner that may create the appearance that the contribution is on behalf of the foundation.
- Refrain from using any organizational financial resources, facilities, or personnel to endorse or oppose a candidate for public office.
- Clearly communicate that we are not acting on behalf of the organization, if identified as an official of the foundation, while engaging in political activities in an individual capacity.

Refrain from engaging in political activities in a manner that may create the appearance that such activity is by or on behalf of the foundation.