

## CHATHAM-KENT HOSPICE FOUNDATION

<b>Section</b>	<b>Policies and Procedures</b>	<b>Finance</b>	
<b>Title</b>	<b>Reserve Funds</b>		
<b>Manual</b>	<b>Board of Directors</b>		
<b>Policy Number</b> CKHF 15	<b>Date of Issue</b> <i>October 28, 2020</i>	<b>Revised</b> <i>October 30, 2023</i>	<b>Reviewed</b> October 30, 2023

### **PURPOSE:**

The purpose of the Reserve Funds Policy is to ensure the stability of the ongoing operations of the Chatham-Kent Hospice and the Chatham-Kent Hospice Foundation through funds reserved in our Sustainability Fund. The intent of the Sustainability Fund is to provide a source of internal funds for organizational priorities such as capital replacement and upgrades, growth initiatives and unforeseen operational shortfalls as approved by the Chatham-Kent Hospice Foundation Board.

### **ALLOCATION TO SUSTAINABILITY FUND:**

The Sustainability Fund was initially established with funds received through a Municipal Grant received during the development of the Chatham-Kent Hospice project. The Board of Directors may from time to time direct that a specific source of revenue be set aside for the Sustainability Fund. Examples could include one-time gifts or bequests, special grants, or special appeals.

### **AMOUNT HELD IN SUSTAINABILITY FUND:**

A minimum of 12 months of operating funds (approximately \$1.8m) will be held in the Sustainability Fund at all times with the fund capped at 36 months of operating funds (approximately \$5.4m).

### **INVESTMENT OF FUNDS HELD IN SUSTAINABILITY FUND:**

The investment goals for the Sustainability Fund are to generate an attractive, risk-adjusted return with a focus on capital preservation as outlined in the CKHF-9 Investment Policy.

### **USE OF FUNDS:**

Use of funds from the Sustainability Fund will come from a recommendation from the Finance Committee to the Board of Directors for their approval.

### **REVIEW OF POLICY:**

This Policy will be reviewed every other year, at minimum, by the Finance Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Committee to the Board of Directors.