

## Gift Acceptance Policy

**LG Health Foundation Mission Statement:** The mission of the Lancaster General Health Foundation is to grow philanthropic relationships within the community to advance the mission of Lancaster General Health.

### ***I. Purpose of Policy and Guidelines***

The LG Health Foundation (LGHF) oversees the acceptance and receipting of all charitable gifts made to Lancaster General Health/Penn Medicine (LG Health) and its affiliates. This gift acceptance policy (Policy) will govern the acceptance of all gifts made to LGHF for the benefit of LG Health and its affiliates. This Policy will be reviewed and approved on an annual basis by the LG Health Foundation Board of Trustees (Trustees).

The purposes of this Policy are to:

- Govern the acceptance of gifts;
- Provide guidance to donors and their professional advisors in completing gifts;
- Protect the best interests of those who make voluntary contributions to support the purpose of LGHF; and
- Protect the interests of LG Health, LGHF, as well as any affiliates.

### ***II. Involvement of Legal Counsel***

The LGHF office shall seek the advice of legal counsel in matters relating to acceptance of gifts where appropriate. LGHF will also strongly urge and advise the donor to seek independent professional counsel prior to making a gift. Involvement by legal counsel is recommended for:

- Review of closely-held stock transfers that are subject to restrictions or buy-sell agreements;
- Review of documents naming LG Health as Trustee;
- Review of all gifts involving contract, such as bargain sales, real estate transfers, or other documents requiring LG Health to assume an obligation;
- Review of all transactions with potential conflict of interest that may invoke IRS sanctions; and
- Such other instances in which use of counsel is deemed appropriate.

### ***III. Conflict of Interest***

All prospective donors shall be strongly urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. LGHF will comply with the most current version of the Model Standards of Practice for the Charitable Gift Planner promulgated by the National Committee on Planned Giving.

### ***IV. Restrictions on Gifts***

Gifts restricted for purposes outside of established funding priorities can be made at a minimum threshold of \$5,000 provided that such gifts are consistent with LG Health's stated mission, purposes, and priorities.

In addition, LGHF will not accept gifts that are too restrictive in purpose. In general, gifts will be considered too restrictive if they violate the terms of the corporate charter, if they are overly burdensome to administer, or if they are for purposes outside the mission, purposes or priorities of LG Health. All final decisions on the restrictive nature of a gift and its acceptance or refusal shall be made by the Executive Director of the Foundation in consultation with LG Health leadership.

## ***V. Permanent, Named Endowments***

**Definition:** An endowment is a financial asset in the form of a donation made to a non-profit organization consisting of investment funds or other property with an expectation that income will support either restricted or unrestricted purposes. Most endowments are designed to keep the principal amount intact while using the investment income from dividends for charitable efforts. Endowment funds may be created or added to through gifts of cash, securities, real estate, life insurance, or bequests.

**Establishment:** Donors may contribute to an existing endowment fund with a gift of any size or establish their own with a gift of \$25,000 or more. Permanently endowed funds may bear the donor's name or be named to honor someone chosen by the donor. Endowment funds can be unrestricted as to their usage, or restricted to support a particular part of the LG Health's mission or operations. If the endowment is to be used for a restricted purpose, the donor should work in advance with a member of the Foundation Office to prepare a Gift Agreement outlining how the endowment income will be used in perpetuity.

**Investment Management and Spending:** Except as prescribed by law or regulation, donor-restricted endowment funds will be co-mingled for investment purposes. Investment strategies are determined to maximize interest on the investments while maintaining and growing the principal for future sustainability. LG Health utilizes the services of the Office of Investments at the University of Pennsylvania ("University"), where the University will invest the gift as an endowed fund, which it may pool and manage with its other endowed funds in accordance with regular University investment and management policies. Net income from the fund, as determined by application of the Hospital and University's spending rule policies (and it may be amended from time to time), will be used in support of the fund's purpose.

The annual spending rate will be reviewed on an ongoing basis by the University of Pennsylvania Office of Investments, in compliance with LG Health's Endowment Spending Policy (attached as Appendix A). Total return in excess of the actual spending distribution shall be reinvested and shall be considered principal for all future distribution computations.

**Accounting:** Endowment fund activity will be recorded in accordance with Generally Accepted Accounting Principles. Accounting records will be maintained for each endowment fund showing principal, return, and use of funds. The LG Health Finance Office will provide a complete accounting of each fund as requested. The Finance Office in coordination with LGHF, will review endowment documents and funding requests as provided to ensure the expenditure meets the criteria set forth by the donor.

## ***VI. Quasi-Endowment***

Quasi-endowment funds are funds functioning as an endowment that are typically established by the institution from either donor or institutional funds, and will be retained and invested rather than expended. The quasi-endowment must retain the purpose and intent as specified by the donor or source of the original funds, and earnings may be expended only for those purposes.

## ***VII. Authorization and Accepting/Declining a Gift***

LGHF may choose to decline a gift if one or more of the following conditions are known:

- There are conditions to a gift and its designation that are not consistent with the purpose, values, mission and objectives of LG Health;
- The gift could financially jeopardize the donor or LG Health;
- The gifts or terms are illegal;
- An appropriate Fair Market Value cannot be determined or will result in unmanageable expense to LG Health;
- There are physical or environmental hazards;
- The gift could jeopardize the tax-exempt status of LG Health; and/or
- The gift could improperly benefit any individual.

### ***VIII. Acknowledgement of a gift***

When a gift is received by the LGHF it is the responsibility of LGHF to ensure that the gift is acceptable and that the donation qualifies as a charitable gift. The Foundation will issue an official acknowledgement in a timely manner for donations received, with said acknowledgment serving as the donor's record of the gift for tax purposes.

### ***IX. Types of Outright Gifts***

A gift is defined as an irrevocable charitable contribution for the benefit of LG Health which is intended as a donation, bestowed voluntarily and without expectation of tangible compensation and for which no contractual requirements are imposed. Gifts are contributions that can be used immediately by the Foundation. The following outright gift forms will be accepted:

1. Cash, Check or Credit Card
2. Tangible Personal Property
3. Securities
4. Real Estate
5. Remainder Interests in Property
6. Bargain Sales
7. Life Insurance
8. Gifts-in-Kind / Artwork

The following criteria govern the acceptance of each gift form:

- 1. Cash, Check and Credit Card Donations:** Checks shall be made payable to "Lancaster General Health Foundation" and shall be delivered to the Foundation Office. Specific intent can be noted on the memo line of the check. Gifts by credit card can be made securely at the LGHF website.
- 2. Tangible Personal Property:** All other gifts of tangible personal property shall be examined in accordance with the following criteria:
  - Does the property fulfill the mission of LG Health?
  - Is the property marketable?
  - Are there undue restrictions on the use, display, or sale of the property?
  - Are there any carrying costs for the property?

- 3. Securities:** LG Health can accept both publicly-traded securities and closely-held securities. Donors may make gifts of securities by written endorsement on the stock certificate(s) or through wire transfer from the donor's brokerage account to the LG Health brokerage account. Donors should inform the Foundation Office of any gift of stock prior to endorsement or transfer.

Gifts of securities marketed on a recognized exchange will be valued by LGHF at market value on the day of their transfer. The value is established by averaging the high and low prices on that day. The gift amount may differ from the amount actually realized from the sale of the security, but neither gains nor losses nor brokerage fees will alter the credited value of the gift.

**Publicly-Traded Securities:** Marketable securities may be transferred to an account maintained at a brokerage firm or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed. See Appendix B for the most recent Donation of Stock form.

**Closely-Held Securities:** Gifts of closely-held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in closely held C and S corporations, limited partnerships (LP), limited liability companies (LLC) or other ownership forms, are complex (LLC) or other ownership forms, are complex, requiring substantial due diligence, risk measure, and management. Therefore, a thorough benefit-to-risk analysis shall be conducted on a case-by-case basis and no gift of closely-held securities shall be accepted without the prior approval of the CFO of LG Health. The following issues, at a minimum, should be considered: Are there restrictions on the security that would prevent LG Health from ultimately converting those assets to cash? Is there a market for sale of the security? Will the security generate undesirable tax consequences for LG Health or the donor? Receipt of closely-held securities shall be recorded, receipted and acknowledged in accordance with all applicable IRS regulations. It is the donor's obligation to establish a gift value. No dollar amount will be included in the receipt.

If potential problems are identified in initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The final determination on the acceptance of closely-held securities shall be made by the CFO of LG Health, with the assistance of legal counsel where necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

**4. Real Estate:**

Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, LGHF may require an initial environmental review of the property to ensure that the property is not contaminated with environmental damage. In the event that the initial inspection reveals a potential problem, LGHF shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor. Where appropriate, a title binder shall be obtained by LGHF prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense to the donor.

Prior to acceptance of the real property, the gift shall be approved by LG Health's legal counsel, or an outside attorney designated by LG Health's legal counsel. When reviewing potential donations of real estate, the following issues, at a minimum, should be considered:

- Is the property useful for the purpose of LG Health?

- Is the property marketable?
- Are there any restrictions, easements, reservations, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, associated with the property?
- Does the environmental audit reflect that the property is not damaged?

A broker's opinion of value may be obtained in advance of transfer of the property, in addition to any other recent appraisals.

**5. Remainder Interests in Property:** LGHF will accept a remainder interest in a personal residence, farm or vacation home subject to the provisions of Paragraph 4 above. The donor or other occupants may continue to occupy the real property for the duration of the stated life. At the death of the donor, LGHF may use the property or reduce it to cash. Where LGHF receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary.

**6. Bargain Sales:** LG Health will enter into a bargain sale arrangement in instances in which the bargain sale furthers the mission and purposes of LG Health. All bargain sales must be reviewed and approved by the LG Health legal counsel. Factors used in determining the appropriateness of the transaction include, but are not limited to, the following:

- LGHF must obtain an independent appraisal substantiating the value of the property.
- If LGHF assumes debt with the property, the debt ratio must be less than 50 percent of the appraised market value.
- LGHF must calculate the costs to safeguard, insure, and expense the property (including property tax, if applicable) during the holding period.

**7. Life Insurance:** LG Health must be named as both beneficiary and irrevocable owner of an insurance policy before the policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. Paid-up life insurance policies may be counted in one of two ways:

- The cash surrender value, counted as a current outright gift; or
- The death benefit value, counted at both the face value and the discounted present value.

**8. Gifts-In-Kind / Artwork:** A gift of goods or equipment, or other tangible donation, may be accepted by LGHF if it will support LG Health's mission. A Gift In-Kind will be assigned a "fair market value" as documented by the donor. A Gift-In-Kind Acceptance Form (Appendix C and also available on the LG Health website under "Make a Gift") must be completed before the gift can be considered and processed by the Foundation. A separate form exists for considerations of gifts of art. Please see Appendix C for the LGHF "Acceptance of Artwork" and "Gift-in-Kind" forms.

**IRS Filings upon Sale of Gift Items:** The CFO, or designee, of LG Health is responsible for filling IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by LGHF when the value of the gift for charitable purposes was greater than \$ 5,000. LG Health must file this form within 125 days of the date of sale or disposition of the asset.

## **X. *Types of Deferred Gifts***

A deferred gift refers to a contribution that is not donated at the present time, but, rather is planned for donation at a later occasion, oftentimes at death as part of one's estate. The following deferred gifts can be accepted:

**1. Bequests:** A bequest is a gift that is made through a donor's will. Individuals may name LG Health in their wills for a specific amount or a percent share of their estate. Donors can also name LG Health as the residual beneficiary of their estates after payment of bequests to others. Bequest donors are inducted as members of the LG Health 1893 Society. Bequests shall not be recorded as gifts to LG Health until such time as the gift is received/realized. If a bequest is to be used for a restricted purpose, the donor should contact the LGHF to prepare a Gift Agreement outlining how it will be used. The donor shall be given the exact corporate legal name which is "Lancaster General Hospital."

**2. Charitable Gift Annuities:** LG Health may offer charitable gift annuities. The minimum gift for funding is \$10,000. The minimum age for life income beneficiaries is 55. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries is 45. No more than two life income beneficiaries will be permitted for any gift annuity. Charitable gift annuities of \$1,000,000 or greater must be approved by the LG Health CFO. Annuity payments may be made on a quarterly, semi-annual or annual schedule, and are based on the age of the donor at the time of the gift. Rates used are those recommended by the American Council on Gift Annuities, which determines the payment amounts of the annuities. Donors should be aware that the payment of annuity income is a general obligation of the charity, and is backed by its assets. LG Health will not accept real estate, tangible personal property, or other illiquid assets in exchange for current charitable gift annuities. Funds contributed in exchange for a gift annuity shall be set aside and invested during the term of the annuity payments. Once those payments have terminated, the funds representing the remaining principal contributed in exchange for the gift annuity shall be transferred to the LG Health or to such specific fund as designated by the donor.

**Charitable Gift Annuity – Deferred:** A deferred gift annuity is similar to a gift annuity except that payments begin at a future date of the donor's choice, such as retirement. The tax deduction and the annual rate of return increase the longer the donor waits to begin payments. LG Health may accept real estate, tangible personal, or other illiquid assets in exchange for deferred gift annuities so long as there is at least a 5-year period before the commencement of the annuity payment date, the value of the property is reasonably certain, and the CFO of LG Health approves the arrangement.

**3. Charitable Remainder Trust:** LG Health may accept designation as remainder beneficiary of a charitable remainder. Two basic types of charitable remainder trusts qualify for federal tax benefits. In both arrangements, a donor gives stock, cash or other assets to a trust. Those assets are invested, producing income for the donor or other beneficiary either for a fixed period of time or until the donor dies. The donor is allowed to claim a tax deduction for the estimated portion of the assets that will ultimately come to LG Health. When the donor dies, LG Health keeps all remaining assets.

The two types of remainder trusts are unitrusts and annuity trusts. Under a basic unitrust, the donor receives one or more yearly payments equaling a fixed percentage of the value of the asset, which is assessed each year. Under a net-income unitrust, the donor receives only the income earned by the trust, even if the trust earns less than the payout rate. However, the trust can be set up to include a make-up provision, which allows the donor to make-up the lost income, provided the trust earns more than the payout rate in future years. Under an annuity trust, the donor receives a yearly fixed payment equaling at least 5% of the value of the asset at the time the deferred-giving payment was signed.

**4. Charitable Lead Trusts:** Through this vehicle, LG Health would receive income from the donor's assets for a specified time, after which the asset is transferred back to the donor or to the donor's heirs, who do not have to pay any additional taxes. The donor does pay a gift tax on the asset when it is placed into the trust, after which it can grow tax-free. A lead trust can, however, reduce gift and estate taxes or provide a charitable deduction for the donor. LG Health may accept a designation as Income Beneficiary of a charitable lead trust, but will not accept appointment as Trustee of a charitable lead trust.

**5. Retirement Plan Beneficiary Designations:** Donors and supporters can name LG Health as beneficiary of their retirement plans. Such designations shall not be recorded as gifts until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

**IRA Charitable Rollover:** H.R. 2029, the Protecting Americans from Tax Hikes Act of 2015 has permanently extended the IRA Charitable Rollover. Originally passed in 2006 as part of the Pension Protection Act, the IRA Charitable Rollover allows individuals age 70½ and older to make direct transfers totaling up to \$100,000 per year to 501(c)(3) charities, without having to count the transfers as income for federal income tax purposes. IRA Rollovers are not tax deductible, and cannot be used to establish charitable gift annuities.

**6. Life Insurance:** A gift of whole life insurance can be made to LG Health by naming “Lancaster General Hospital” as the irrevocable owner and beneficiary of the policy. The gift should be valued at its interpolated terminal reserve value or cash surrender value, upon receipt. The policy can either be paid-up, or, if not paid-up as of the date of the gift, has a minimum face value of \$100,000. Gifts of life insurance policies require charitable contributions from the donor to LG Health in the amount of any premiums, including unscheduled premiums, which may become due. If the donor contributes future premium payments, LGHF will include the entire amount of the additional premium payments as a gift in the year that they are made. If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, LG Health may continue to pay the premiums; convert the policy to paid-up insurance; or surrender the policy for current cash value.

**7. Life Insurance Beneficiary Designations:** LG Health can be named as beneficiary or contingent beneficiary of a donor’s life insurance policy. Such designations shall not be recorded as gifts to LG Health until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

## ***XI. Guidelines for Naming Facilities***

LG Health welcomes the opportunity to honor those who have rendered extraordinary service or financial support to the Health System. Facilities, buildings, and spaces may be named for individuals or entities whose accomplishments or generosity advance the mission of LG Health. LGHF will follow the guidelines listed in this policy as it makes decisions on a case-by-case basis with regard to naming facilities, buildings, and spaces on campus, including interior spaces, landscapes, and roads. Recognition of the highest caliber demonstrates institutional appreciation of our donors and volunteers.

### **A. Jurisdiction**

The authority to name LG Health facilities as a result of extraordinary philanthropy and service belongs to the LGHF Board of Trustees in concert with LG Health Executive Leadership. Although the attraction of

financial contributions to LG Health is not the sole consideration, the naming of facilities must always weigh the development interest and not proceed in a manner that might hamper development efforts.

## B. Criteria and Procedures

### 1. Criteria for Selection of Honorees

Naming a facility or space for an individual, organization or corporation is one of the highest honors that LG Health can bestow. This recognition is a lasting and powerful affirmation of the honoree's connection to the Health System. As such, honorees shall have exemplary character, an unqualified reputation for honesty, personal integrity and the highest standards of personal and professional ethics.

**Private Financial Support:** Individuals and corporations may be considered for recognition if they have made significant financial contributions to LG Health. Decisions regarding such recognition are made on a case-by-case basis in accordance with the approval process contained in this policy and any other applicable Foundation policies.

**Extraordinary Service:** In some extraordinary circumstances, honorees may be considered for named recognition within LG Health for excellence in service for such exceptional distinction that their contributions are widely recognized by their peers, both at LG Health and elsewhere.

### 2. Gift levels required for consideration of donor recognition

**Named Facilities/Spaces:** Generally, a minimum gift of \$1 million or greater can be considered for a named opportunity and must be approved by the LGHF Board of Trustees.

Fifty percent (50%) of total project costs for new buildings and facilities will be eligible to receive the naming opportunity for the entire building or facility.

Fifty percent (50%) of the total project costs for renovated buildings and facilities will be eligible to receive the naming opportunity for the entire building or facility.

If a building slated for renovation is already named, the new name of the building may, in some cases, be hyphenated in order to preserve the history of the building. The most recent donor's name would be placed first (e.g. The Rogers Laboratory would become the "Smith-Rogers Laboratory" honoring a gift from Sarah Smith). In general, we will retain the existing name as part of the new name if the person originally honored has played a significant role in the history of the Health System.

**Plaques Spaces:** In general, gifts of \$25,000 or more may be eligible to be recognized with a plaque within a specific space, although that space will not be named by the donor. In general, deferred gifts are not considered as part of a fundraising goal for a capital project and thus will not be considered for naming opportunities unless the commitment is irrevocable. Spaces within a building or facility eligible for naming or plaques will be identified by Foundation staff in conjunction with Facilities staff and project architects. These spaces will be selected on the basis of their visibility, attractiveness, and utility to the LG community.

**Exceptions:** Exceptions to this policy can be made by the LGHF Trustees at the recommendation of the Executive Director.



**3. Duration of naming rights and other forms of donor recognition in LG buildings, facilities, and spaces**

Naming of buildings, facilities, and spaces in honor of individuals is generally expected to last for the useful lifetime of the building, facility, or space. When a named building or facility is replaced by a new building or facility, every effort will be made to perpetuate the history of the lead donor's contribution to the original building through recognition in the new building. Naming associated with a particular facility, space, endowment or program will not preclude further naming within the facility, space, endowment or program. Should the donor(s), corporation or foundation be deemed to no longer possess exemplary character, an unqualified reputation for honesty, personal integrity and the highest standards of personal and professional ethics, naming recognition may be withdrawn from the facilities, spaces, endowments, scholarships, and programs at any point by the LGHF Trustees. Naming and other forms of donor recognition may also be recalled by the LGHF if a donor does not fulfill completely his or her pledge of support within five years of the conclusion of construction of the project he or she supported.

**4. Style parameters for naming and other forms of donor recognition within LG buildings, facilities, and other spaces**

The size and shape of plaques, as well as the format for inscriptions, will be consistent across buildings, facilities and spaces on campus. The material selected for plaques and signage will match the type of material selected by the project architects for use in all project hardware or design elements. Donor recognition design will be integrated into the design of each capital project from the initial stages to ensure cohesion of style and tone.

***XII. Miscellaneous Provisions***

- A. Matching Gifts:** Many corporations have guidelines that the non-profit organization and employee must meet before a donation can be matched. The corporation's Benefits or Human Resources Department can provide more information about their program and should also have the proper form to complete. Every matching gift made by a donor's employer will be designated in the same fashion as the donor's gift designation and will be counted toward the donor's gift recognition.
- B. Gifts in Honor of or In Memory of Someone:** Gifts "in memory of" or "in honor of" are generally designated to a specific LG Health fund or department per the wishes of the families of the honoree. It is a generous and thoughtful way to honor a friend or family member.

***XII. Campaign Policies and Gift Guidelines***

- A. Campaign Pledge Period:** Donors will be given the opportunity to make pledges payable over as many as five years.
- B. Campaign Accounting:** Outright gifts and multi-year pledges made during the campaign period with the intention of being used for campaign objectives will be counted toward the capital campaign. Fundraising totals will include the total outright gifts received during the campaign and payable during the pledge period stated above. Pledges will be counted toward the campaign when a signed, dated pledge form has been received indicating the total amount of the pledge and the anticipated payment schedule.

Revocable and irrevocable deferred commitments made in response to this campaign - and which will be received at an undetermined time in the future - can count toward the campaign goal, but will be tracked separately. Bequests intentions shall be counted at the full and net present value in campaign totals if: the donor is age 65 or older; the commitment is for a single life, or if double life, the second donor also conforms to the age limitation; and the will states a specified amount of percentage of the estate based on a credible estimate of future value of the estate. In general, deferred gifts made to campaigns are not eligible for named or plaqued spaces unless these gifts are irrevocable. (Sample Irrevocable Bequest Pledge documents for couples and individuals are attached as Appendix D.)

During campaigns, undesignated and unrestricted gifts to LG Health may be designated to support that campaign through a corporate resolution approved by the LGHF Board of Trustees.

#### **C. Valuation of Campaign Gifts**

**Real Estate and Personal Property:** LGHF will credit major gifts of real estate and personal property at full fair-market value placed upon them by an independent appraiser, usually contracted and paid for by the donor. Should the real estate or personal property be sold, losses or gains will not affect the value credited upon receipt of the property.

**Life Insurance:** Paid-up life insurance policies may be counted in a campaign in one of two ways: the cash surrender value, counted as a current outright gift; or the death benefit value, counted at both the face value and the discounted present value.

**Charitable Lead Trusts:** LGHF will credit the income received from the trust during the campaign period at the full face value in combination with the net present value of the remainder of the income that exceeds the life of the campaign.

#### **D. Campaign Gift Management**

The LGHF Executive Director and the Foundation Office staff will be responsible for all record keeping, billing, accounting and final interpretation of these policies. Information about all gifts will be considered confidential unless authorized for release by the donor. Access to fundraising files and gift information will be limited to the LG Finance staff, Foundation staff, campaign executive committee, and campaign consultants.

### ***XIV. Vendor Relationships***

LGHF will follow ethical policies governing relationships with vendors in all of its fundraising activities. These policies recognize that solicitation and/or acceptance of excessive or inappropriate gifts, favors or entertainment from vendors may interfere, or be perceived to interfere, with sound business judgment in selecting and retaining vendors, or may create the appearance of impropriety in business dealings.

### ***XV. Third-Party Fundraising***

A third-party fundraising activity is any fundraising activity or event hosted by a non-affiliated group or individual where the LGHF, LG Health, or any of their respective entities are the beneficiary and have no fiduciary responsibility and little or no staff involvement.

Those wishing to execute a third-party fundraiser should submit an application (Appendix E) detailing plans; plans for third party fundraisers cannot not proceed without approval from LGHF.

*Policy reviewed and approved by the LG Health Foundation Board of Trustees:*

*9/26/17*

*9/20/16*