

America's Second Harvest of the Big Bend Windfall Policy

Approved by the ASHBB Board of Directors on September 21, 2017

PURPOSE: It is important for an organization the size and scope of Second Harvest to have in place an agency policy that directs staff as to the distribution and best use of unrestricted and unexpected gifts. The majority of these gifts would be as a result of Second Harvest being placed in a will or as the beneficiary of a donor's estate without the prior knowledge of Second Harvest or any intent of the donor for a specific program or area of work. Gifts could also come from court judgments, insurance benefits, individual or corporate gifts, or any non-budgeted or unexpected windfall. This policy would give direction to the staff and board as to the long term benefits of such a gift and how it would benefit Second Harvest's goals and objectives.

Second Harvest of the Big Bend is grateful for the gifts of its donors and strives to steward each gift in a way that will honor the donor as well as provide the best fiscal foundation and future of the agency. The Board of Directors of Second Harvest of the Big Bend directs staff to allocate unrestricted and/or unexpected gifts of \$10,000 or more in the following manner. Unrestricted and unexpected gifts under \$10,000 will go into the current fiscal year's operating budget.

- 10% will go into the current fiscal year's operating budget. This is to encourage staff and the board to continue to encourage planned gifts.
- 25% will go into a Capital Improvements fund that will be used for either purchasing the building and/or major capital improvements to the infrastructure.
- 65% will go into a Reserve Fund to be used as the board determines but is intended for budget shortfalls to maintain the programs of Second Harvest.

Any of these policies can be changed by the Board of Directors, and should be reviewed annually. This policy will give the staff direction for unexpected windfall gifts without board direction at each occurrence.