**Granting POLICY Approving Authority**: Board of Directors

**Approval Date**: June 22, 2022

**Effective Date**: June 22, 2022

**Supersedes**: October 1, 2014

**Last Editorial Change**: N/A

**Mandated Review**: March 2025

**PURPOSE**

1. The purpose of this policy is to outline the principles, criteria and processes that govern how the University Hospitals Kingston Foundation (UHKF) grants funds to its beneficiary healthcare organizations: Kingston Health Sciences Centre (KHSC) and Providence Care Centre (PCC).
2. A grant is defined as a financial disbursement of charitable funds held by the Foundation and disbursed to its related healthcare organizations. These funds are distributed in alignment with the individual healthcare organization’s priorities, the donors’ intentions, and the fiduciary responsibilities of UHKF and its Board of Directors (BOD).

**DEFINITIONS**

For the purpose of this policy:

1. **Unrestricted funds** are those funds that are applied to support the work of the Foundation without a designated use by the donor. These funds may be available for any charitable purpose at KHSC and PCC or to cover UHKF’s operating and administrative expenses.
2. **Restricted funds** are those funds that have been raised to support a specified purpose according to their Terms of Reference. Terms of Reference may include restrictions specified by the donor, restrictions imposed by the benefiting healthcare organization or UHKF Board, or restrictions stipulated in the fundraising appeal through which the donations were raised.

There are two types of restrictions:

* 1. Generally Restricted funds are those that have been raised for a specific organization but are available for any charitable purpose and may be applied to any project or program within that organization;
  2. Specifically restricted are those funds that have been raised for a specific purpose within the organization and must be used per the designated restriction.

1. **Endowment funds** are those funds for which the principal is invested for a specified period of time or in perpetuity and only a portion of the income is available for expenditure. Endowment Funds may be unrestricted, generally restricted, or specifically restricted. These restrictions may be imposed by the donor at the time of the gift (externally restricted) or by the Foundation (internally restricted). Endowment income is made available for granting on a annual basis.

These funds are governed by the UHKF Endowment Policy.

**JURISDICTION/SCOPE**

1. This policy applies to all grants issued by the University Hospitals Kingston Foundation.
2. This policy is subject to and consistent with the UHKF Investment Policy and Fundraising and Gift Acceptance Policy.
3. By Letters Patent, UHKF may only make grants to Kingston Health Sciences Centre and Providence Care Centre.

**POLICY**

Objectives

1. The Foundation intends to balance the following objectives with regard to the granting of funds:
   1. To effectively grant funds to the healthcare organizations in alignment with the Operating Agreement between UHKF, KHSC and PCC and the priorities set by the CEOs of both receiving organizations;
   2. to effectively grant funds in accordance with the healthcare organizations’ priorities, the donor’s intentions in giving and the foundation’s fiduciary responsibilities.

Eligibility Requirements

1. Grants are only issued for charitable activity purposes in accordance with Canada Revenue Agency (CRA) guidelines.
2. All requests must be authorized by the appropriate hospital authority as cited in each healthcare organization’s policy.
3. Healthcare organization’s operating expenses eligible for funding through government operating grants are not normally eligible for charitable grants. Seed funding for new projects, as a proof of concept to determine eligibility for government operating funding, may be authorized with specified time limits (normally of not more than five years).

Granting Process

1. Grant requests will normally fall under the following categories:
   1. Capital Building
   2. Capital Equipment
   3. Patient Care Programs
   4. Staff and/or Physician Comfort Funds
   5. Education
   6. Research and/or Innovation
2. Grant requests shall be submitted using the UHKF Grant Application Form (appendix A) and follow the approval process set out by each individual healthcare organization. Both healthcare organizations have identified that the respective CFO, or designate, is the final approval before submission to UHKF for granting.
3. Once the grant request is submitted to UHKF, the UHKF Grant Coordinator will review the documentation for completeness, compliance with terms of reference, proper approvals, and alignment with this policy. The Grant Coordinator will then ensure the availability of funds requested and submit the grant request for approval to the appropriate UHKF approval authority. Once the grant is approved the receiving healthcare organization will be notified.
4. Funds approved for disbursement for a grant will normally only be issued to the healthcare organization after the expenditure related to the grant has been made. To receive the funds, the healthcare organization must submit a payment request that includes the following to UHKF’s Grant Coordinator:
   1. Invoice issued from the healthcare organization;
   2. Supporting documentation in order to verify the purchase is aligned with the approved grant request, such as copies of receipts or invoices from suppliers.
5. If a payment request exceeds the preapproved grant the overage may not be paid without submitting a new grant request for approval.
6. UHKF reserves the right to determine timing of grants, based on availability of funds.

UHKF Grant Approval Authority

1. All granting is subject to the fiduciary responsibilities of the Foundation’s BOD. The UHKF approval authorities are as follows:
   1. All grant requests less than $100,0000 will be reviewed and approved by the CEO
   2. All grant requests $100,000 or greater shall be reviewed and approved by the Foundation BOD upon a recommendation of its Finance, Audit and Risk Management Committee.

**Review**

1. This policy will be reviewed every three years by the UHKF Board of Directors.

**RELATED DOCUMENTS**

Fundraising & Gift Acceptance Policy

Operating and Capital Funds Investment Policy

Endowment Policy

Financial Decision Authority Policy

Finance Policy

UHKF Operating Agreement

UHKF Letters Patent

**APPENDIX A**

