

**OAK HAMMOCK AT THE UNIVERSITY
OF FLORIDA, INC.**

BENEVOLENT FUND POLICY
Revisions effective: January 17, 2019

TABLE OF CONTENTS

Section A:	Policy Statement	A1 – A6
Section B:	Application for Assistance	B1 – B3

**OAK HAMMOCK AT THE UNIVERSITY OF FLORIDA
BENEVOLENT FUND POLICY STATEMENT**

I. PURPOSE OF THE BENEVOLENT FUND

- A. The purpose of the Benevolent Fund of Oak Hammock at the University of Florida (the "Benevolent Fund") is to help maintain in residence a resident(s) who becomes unable to pay her/his Monthly Fee at Oak Hammock. This type of financial aid is designed to protect the financial health of the entire Oak Hammock community.

II. POLICY FOR ACCESSING THE BENEVOLENT FUND

A. Confidentiality:

In the administration of the Benevolent Fund, there shall be no discrimination based on race, color, religion, sex, age, national origin, sexual orientation, or disability. All applications, tax returns and other financial records of applicants, and all records of assistance to Residents shall be maintained in confidentiality.

B. Change in Financial Status:

If a Resident's financial status changes so that he or she is financially unable to pay the Oak Hammock Monthly Fee, the Resident may apply for financial assistance in paying with the deferral amount offset by cash from the Benevolent Fund to Oak Hammock. All payments by the Benevolent Fund are hereinafter referred to as "Resident Assistance Payments".

C. Application for Assistance:

The Resident must apply to Oak Hammock for Resident Assistance Payments. Such an application for special consideration and assistance with the fees may be granted or denied by Oak Hammock in its sole discretion provided such special treatment does not impair, in the sole opinion of Oak Hammock, the ability of Oak Hammock to operate on a sound financial basis.

D. Facts to be Considered:

Facts to be considered in the granting of such special financial consideration are the Resident's current income, assets and liabilities, and other information that Oak Hammock deems pertinent.

E. Charity Status for Benevolent Fund:

The Benevolent Fund shall be maintained as a restricted account in Oak Hammock's accounting system. The accounting system shall clearly document income and expenses in the Benevolent Fund apart from operational cash flow.

Contributions by Residents to the Benevolent Fund should be made to Oak Hammock and noted as for the Benevolent Fund.

III. PROCEDURE FOR ACCESSING THE BENEVOLENT FUND

- A. The Oak Hammock Residency Contract provides that if a Resident anticipates he/she may be unable to pay the full Monthly Fee required under the Oak Hammock Residency Contract, he/she may apply to the Oak Hammock CEO for Resident Assistance Payments from the Benevolent Fund to augment his/her income and allow full payment of fees.

The application procedure for Resident Assistance Payments is as follows:

B. Meeting with the CEO:

The resident(s) or legal representative seeking Resident Assistance Payments shall meet with the Oak Hammock CEO to discuss the Benevolent Fund policy and application process. A copy of the Application form shall be given to the resident(s) or legal representative with instructions for completion. The Oak Hammock CEO shall discuss with the applicant alternatives for additional income and for reducing the Monthly Fee, such as: use of Oak Hammock Entrance Fee refund if applicable, life insurance, future inheritance, and downsizing the residence unit.

C. Financial Information:

The resident(s) or legal representative shall complete and return the Benevolent Fund Application. This application includes a financial statement that accurately describes the resident(s)'s current income, assets and liabilities. It also shall include a listing of monthly expenses, which shall include reasonable amounts for food, clothing, insurance and medical expenses. Luxury items, such as, but not limited to, a monthly allowance for personal vacations, shall not be used by Oak Hammock in calculating monthly expenses.

An Applicant for Resident Assistance Payments living in an Independent Living unit will normally be required to move to a smaller unit.

Significant past transfers of assets will be included in the application. It should be noted that the Oak Hammock Residency Contract does not allow transfer of all or any Material Portion of a resident's assets without the consent of Oak Hammock. The term "Material Portion" means such portion of a resident's assets as will prevent resident(s) from meeting his/her financial obligations to Oak Hammock as reasonably anticipated by the resident at the time of such transfer. If the resident or spouse is unable to execute the application, the person legally responsible for the resident shall execute the application and any other required documents.

D. Submission of Application Package to CEO:

A completed application for Resident Assistance Payments shall be submitted along with copies of the past three years' Federal Income Tax Returns and any other appropriate documents. The resident, the second person, if applicable, or their legal representative(s) and the Oak Hammock CEO shall sign the application and have it notarized.

E. CEO Recommendation:

The CEO will prepare a recommendation and submit it to the Executive Committee of the Oak Hammock Board of Directors. The following criteria shall be used to determine whether a resident's financial status warrants the approval of Resident Assistance Payments:

From all of his/her regular income, the resident will contribute to payment for reasonable personal expenses and for Oak Hammock expenses. The resident will reduce all expenses to a reasonable level.

Except as provided below, the resident will be expected to liquidate his or her available assets including but not limited to bank accounts, stocks, bonds, real property, Oak Hammock Entrance Fee refund, and the cash value of life insurance.

If the resident applying for Resident Assistance Payment is single, the resident will be allowed to exclude resources totaling up to \$20,000. If the residents applying for assistance are dual occupants they will be allowed to exclude resources totaling up to \$30,000. Deviation from these guidelines shall require approval of the Executive Committee of the Oak Hammock Board of Directors.

The following resources are not counted in determining the value of the excluded assets:

- Ordinary household goods and personal effects;
- A car, if the resident lives in an independent living unit. [Residents who are permanently placed in The Pavilion (assisted, memory support and skilled) may not exclude a car];
- Long Term Care insurance;
- A revocable (i.e., you can get your money back) pre-need funeral arrangement or burial account of \$5,000 or less. Or, an irrevocable (i.e., you can't get your money back) funeral services trust of \$5,000 or less; and
- Burial spaces for immediate family residents

F. Executive Committee Review:

The Board of Directors Executive Committee will review the completed Benevolent Fund Application, along with required documentation, and the Oak Hammock CEO's recommendation and recommended action. The applicant's name shall be held in confidence by all of the individuals involved in the application review and approval procedure.

G. Decision:

The application for special consideration and assistance with fees may be granted or denied by Oak Hammock in its sole discretion, provided such special treatment does not impair, in the sole opinion of Oak Hammock, the ability of Oak Hammock to operate on a sound financial basis. Facts to be considered in the granting of such special financial consideration include compliance with provisions of Oak Hammock Residency Contract, the assets and income of the Resident(s), and other information that Oak Hammock deems pertinent.

H. Notification:

A letter of notification shall be sent to the Resident with the Board of Directors decision. If approved, notification shall include the date that Resident Assistance Payments commence and the amount of the assistance to be applied. A copy of the notification letter shall be placed in a confidential envelope in the resident's business file.

In the event that Resident Assistance Payments are approved, all such payments to Oak Hammock shall be advanced on behalf of the resident. The resident's monthly bill shall be adjusted to reflect the amount to be paid currently by the resident, as well as the deferred amount advanced by the Benevolent Fund.

I. Follow-up:

The Oak Hammock CEO shall initiate periodic reviews of Resident's continuing need for Resident Assistance Payments at least once every twelve months. As part of this review, the Benevolent Fund application shall be updated for review and copies of his/her income tax returns, and other financial statements as appropriate, along with the spouse's tax returns if filed separately, for the year will be included. The amount of the Resident Assistance Payment may be modified as appropriate. The CEO shall be responsible for initiating periodic reviews.

A Resident receiving financial assistance must notify the CEO if the resident (or spouse, if any) acquires additional financial resources, such as any inheritance, and will work out a plan to promptly reimburse the Benevolent Fund for any assistance received.

J. Responsibility:

The Oak Hammock CEO shall have the overall responsibility to oversee and coordinate the implementation of the above procedure.

IV. SOURCE OF CONTRIBUTIONS

Residents, relatives, friends of residents, and any other individuals interested in Oak Hammock and its future as a viable life care community may make contributions (such as cash, securities, annuities, assignments, and trusts) to the Benevolent Fund directly or through bequests in their wills. The Board of Directors Executive Committee for Oak Hammock will endeavor to operate the Benevolent Fund in such a manner and for such purposes that contributions to the Benevolent Fund will qualify as tax deductible gifts under the Internal Revenue Code.

V. INVESTMENT OF FUNDS

A. Segregation of Funds:

The Benevolent Fund is a Board of Directors designated fund of Oak Hammock at the University of Florida and its use is restricted to the purposes defined in this document. The fund is segregated on the books and records of Oak Hammock from the operating accounts and other reserves of Oak Hammock. Contributions to the Benevolent Fund will be considered designated gifts to be used in accordance with this statement of the purpose and operation of the Benevolent Fund.

B. Types of Investments:

Oak Hammock Benevolent Fund will be invested in the same manner as the other reserves of Oak Hammock and will be invested under the policy and direction of Oak Hammock Board of Directors Executive Committee.

C. Reinvestment of Funds:

All unused income will be reinvested. Financial assistance repaid to the Benevolent Fund by the resident or the resident's estate will be reinvested until it is required for a Benevolent Fund purpose.

VI. ADMINISTRATION OF BENEVOLENT FUND

A. Selection of Governors:

Oak Hammock Board of Directors Executive Committee will serve as the Board of Governors for the Benevolent Fund.

B. Duties of Governors:

The Governors will be responsible for the receipt and disbursement of Oak Hammock Benevolent Fund monies according to the provisions of this document and any amendments thereto. If there are insufficient funds to provide all the financial assistance requested by members, the Governors will decide how the available funds will be allocated.

C. Financial Reports:

The Governors will provide Oak Hammock Board of Directors and the Resident Council an annual financial report indicating the total dollars contributed to the Benevolent Fund, the amount earned on investments, the amounts disbursed, and the year-end value of the Fund's assets. Contributions will be acknowledged in writing to the donor.

VII. AMENDMENTS

To preserve the tax-exempt status of contributions to the Benevolent Fund and income earned on its investments, Oak Hammock Board of Directors is authorized to modify the manner in which Oak Hammock Benevolent Fund operates as may be required in the future by changes in federal or state laws.

Approved by Oak Hammock Board of Directors

Donna Brown, Board Chairman

Date

OAK HAMMOCK BENEVOLENT FUND APPLICATION FOR ASSISTANCE

Name of Resident(s) _____ Unit Number _____

If other than the resident, name of person completing this form and relationship to resident:

_____ Relationship _____

ASSETS:

Checking \$ _____
Savings/CD's _____
Notes & Accounts _____
Due from all sources _____
Stocks _____
Bonds _____
Real Estate _____
Trusts _____
Life Insurance _____
(Cash Value) _____
Life Insurance _____
Benefit Value _____
Automobile _____
Jewelry _____
Art Works _____
Other (attach schedule) _____

TOTAL ASSETS \$ _____

MONTHLY INCOME:

Social Security \$ _____
Interest/Savings _____
Interest CD's _____
Pension _____
Annuity Income _____
Earned Income _____
Other _____

TOTAL INCOME \$ _____

LIABILITIES:

Loans \$ _____
Mortgage _____
Notes Payable _____
Accrued Taxes _____
& Assessments _____
Loans against Life _____
Insurance Policies _____
& Annuities _____
Other _____

TOTAL LIABILITIES \$ _____

MONTHLY EXPENSE:

Service Fee _____
Medical Insurance _____
Life Insurance _____
Food _____
Clothing _____
Medicine _____
Auto Insurance _____
Auto Expense _____
Cable _____
Telephone _____
Internet _____
Other medical expenses _____
Specify: _____
Other _____

TOTAL EXPENSE _____

- NOTE: Please attach a copy of the last 3 years Federal Tax returns to this application.

APPLICATION FOR ASSISTANCE

General Information

Resident's Name _____ Residency Number _____

Residency type _____

Date of Resident's Residence Agreement _____

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
Does the applicant own a car?	_____	_____	_____
Is applicant willing to sell car or exclude associated costs from personal expenses?	_____	_____	_____
Does applicant have family who might be able and willing to contribute to monthly expenses?	_____	_____	_____
Has applicant investigated any other sources of supplemental income?	_____	_____	_____

<u>Bank Account Number (s)</u>	<u>Location(s)</u>	<u>Account Type</u>
_____	_____	_____
_____	_____	_____

Have you disposed of any assets, given gifts or donations in excess of \$1,000 in the past 3 years?

If yes, please give details _____.

I certify that the above statement and schedules on this and the following pages give a true and complete account of my financial condition as of _____, 20_____.

Signature Date

Signature Date

Relationship to resident _____ Self _____ Family Member _____

Legal Representative _____ Other _____

BENEVOLENT FUND APPLICATION

By signing this application, I/we acknowledge and agree that the Entrance Fee Refund due to my/our estate at the termination of the Residency Agreement by me or by my death will be reduced by the amount of any Resident Assistance Payments made to me or made on my behalf, plus interest thereon at the applicable rate. I further agree that if my application for Resident Assistance Payments is approved, I will execute such documentation as may be required to evidence my consent to the set-off against my Entrance Fee Refund or payment by my estate or me.

I/we understand that an annual update of my application will be required to continue my eligibility for Resident Assistance Payments.

I/we agree that if there are any remaining assets once the Residency Contract is terminated that these funds will be used to reimburse the Benevolent Fund to the extent possible, but not to exceed the aggregate amounts that had been advanced by the Resident Assistance Payments.

I/we hereby certify that the information contained in this application is accurate. I/we further certify that the financial conditions presented are not a result of the transfer of assets, gifts, or other disbursement of funds other than those necessary to meet ordinary and customary living expenses.

Resident's Signature

Date

Second Resident's Signature

Date

To be completed by Administration:

Approved _____ Denied _____

Monthly Assistance \$ _____ Interest Rate _____

CEO Signature

Date