**RESOLUTION OF THE DIRECTORS**

**OF**

*INSERT CORPORATE NAME OF* *CONGREGATION* **(“the Congregation”)**

[*INSERT NAME OF CORPORATION*] (the “Congregation”), located at [*INSERT ADDRESS*] has a living endowment of faithful members with rich gifts and varied talents, who “like good stewards of the manifold grace of God, serve one another with whatever gift each of you has received.” (1 Peter 4:10 - NRSV). The Congregation wishes to establish an endowment fund in which the principal of all donations received will be retained and only the income disbursed, to enable the congregation to grow in ability to carry out its Gospel calling.

**BE IT RESOLVED** **AS FOLLOWS**:

**PERPETUAL ENDOWMENT FUND**

**ARTICLE ONE – DEFINITIONS**

1. Within this Perpetual Endowment Fund Resolution, the following definitions apply:
2. “Congregation” means *[INSERT NAME OF CONGREGATION]* duly incorporated pursuant to the laws of the Province of Ontario and located at *[INSERT ADDRESS]*;
3. “Members” means the members of the Congregation, as defined in the Congregation’s Constitution and Bylaws;
4. “Congregational Council” means the directors of the Congregation;
5. “Congregational Treasurer” means the treasurer of the Congregation.

**ARTICLE TWO – ENDOWMENT FUND**

1. The Congregational Council establish a Perpetual Endowment Fund (“Endowment Fund”) to receive and administer donations, bequests, and other forms of giving. There are no restrictions on what gifts and from whom gifts may be accepted from.
2. The effort of the Congregation in establishing the Endowment Fund is dedicated to the glory of Almighty God.
3. The purpose of this Endowment Fund is to enlarge the mission of the Congregation by:
4. Supporting current ministries;
5. Developing new ministry programs and projects.
6. There shall be two sections in the Endowment Fund, one for gifts where the donor has stipulated restrictions on the spending of the principal of the gift, and another for unrestricted gifts. The principal of both sections of the Endowment Fund shall be preserved, and only investment income shall be disbursed.
7. Any gifts to the Endowment Fund, as well as all income derived therefrom, shall be used exclusively for religious, educational, and other purposes authorized for charities by law. Notwithstanding any other provision of this document, the Endowment Fund shall not do any act which would render contributions to it ineligible for treatment as a charitable donation under the provisions of the *Income Tax Act*.
8. While the Congregation has every intention of using the Endowment Fund as set forth in this document, it does recognize that with the passage of time and changing circumstances, there may be a time when it is not feasible to use the Endowment Fund as it was originally intended. Should that situation develop, this Congregation or its successors in interest shall then be free to make such other use of the income and principal as is consistent with the charitable and religious purposes of this congregation, in accordance with the laws of the Province of Ontario. However, notwithstanding the foregoing, the Congregation shall act in conformity with all donor directions expressed as a condition of any gifts to the Endowment Fund, preserving the principal of those gifts designated to be perpetual and carrying out the donor’s wishes.
9. An Endowment Fund Committee shall be established, and they shall make recommendations to the Congregational Council as to how the Endowment Fund ought to be managed, but the authority to accept gifts and deal with the Endowment Fund lies with the Congregational Council.
10. All disbursements from the Endowment Fund shall receive prior approval by the Congregational Council.

**ARTICLE THREE – ENDOWMENT FUND COMMITTEE**

1. An Endowment Fund Committee (the “Endowment Fund Committee”) shall be established and shall have the responsibility of making recommendations to the Congregational Council about:
2. whether to accept donations to the Endowment Fund;
3. how the Endowment Fund should be managed; and
4. how the Endowment fund should be distributed.
5. *[The Congregational Council shall appoint [five] members] or [The Members at the annual general meeting shall elect [five] members]* all of whom shall be voting members in good standing of the Congregation. The Rostered Minister and the Congregational Treasurer shall be members ex officio. The Endowment Fund Committee shall elect from its membership a chairperson and a secretary for the Endowment Fund Committee. The Congregational Treasurer shall be treasurer of the Endowment Fund Committee.
6. The term of the *[appointed] or [elected]* members shall be [*three*] years. Members may serve consecutive terms.
7. In the event of a vacancy on the Endowment Fund Committee due to death, resignation or removal from office, the Congregational Council shall appoint a member to fill the vacancy.
8. The Endowment Fund Committee shall meet at least once every [*three*] months, and more frequently as the interests of the Endowment Fund require. Meetings may be called on twenty-four hours written, electronic or oral notice to members of the Endowment Fund Committee by the chairperson or any [*three*] members of the Endowment Fund Committee.
9. A quorum shall consist of [*three*] members. The affirmative vote of a majority of the members of the Endowment Fund Committee shall carry any proposal.
10. If any member of the Endowment Fund Committee is not present at a meeting, consent in writing to the proposals by that member shall constitute approval of the actions reflected in the proposal and shall have the same force and effect as though the member had been present and voting at the meeting.
11. All new members of the Endowment Fund Committee shall receive a copy of this Endowment Fund Resolution and shall become acquainted with the purpose and function of the Endowment Fund as well as their duties and powers as members of the Endowment Fund Committee.
12. No part of the income or property of the Endowment Fund shall inure to the benefit of or be distributable to any member of the Endowment Fund Committee, director, officer or employee of the Congregation or to any other person related thereto, except for:
13. Payments and distributions in furtherance of the purposes set forth in this Endowment Fund Resolution;
14. Reasonable compensation for services rendered by professionals engaged to render assistance to the Endowment Fund;
15. Reimbursement from the income of the Endowment Fund for expenses reasonably incurred while engaged in the Endowment Fund business.
16. Members of the Endowment Fund Committee shall avoid all self-dealing and conflict of interest in the exercise of their duties.

**ARTICLE FOUR – ENDOWMENT FUND COMMITTEE DUTIES**

1. The Endowment Fund Committee shall make proposals to the Congregational Council about how the Endowment Fund should be used. The Congregational Council can either accept or reject the proposal from the Endowment Fund Committee but nothing in this resolution shall limit the discretion or authority of the Congregational Council.
2. The Endowment Fund Committee shall maintain complete and accurate books and accounts for the Endowment Fund and, subject to Congregational Council approval, may employ such professional help as it deems necessary in this regard. The Endowment Fund Committee shall present a full account of the administration of the Endowment Fund during the preceding year, including a financial report, to the annual meeting of the Congregation. The Endowment Fund Committee shall regularly report to the Congregational Council.
3. The Endowment Fund Committee shall maintain a high degree of communication with the Congregational Council concerning its work.
4. The Endowment Fund Committee shall regularly inform the members of the Congregation of the Endowment Fund’s purposes and encourage the members to make donations to the Endowment Fund through all appropriate means. The Endowment Fund Committee may periodically arrange for the members to meet with professional counsellors in the areas of planned giving, life insurance, estate and financial planning, etc.
5. The Endowment Fund Committee shall encourage any donors to the Endowment Fund who wish to make a gift toward a designated purpose to seek advice from the members of the Endowment Fund Committee and/or personnel of the Eastern Synod of the Evangelical Lutheran Church in Canada or its successor before making their gift. This is to ensure the continuing feasibility of the intended designation.
6. The Endowment Fund Committee shall keep and maintain the assets of the Endowment Fund separate and distinct from the other assets belonging to the Congregation.
7. The Endowment Fund Committee shall deal with the Endowment Fund as authorized and directed by the Congregational Council.

**ARTICLE FIVE – POWERS TO DEAL WITH ENDOWMENT FUND**

1. In the administration of this Endowment Fund, the Endowment Fund Committee shall make recommendations to the Congregational Council. The Congregational Council shall have all powers and authority necessary to carry out the purposes of the Endowment Fund, including the following powers and authority:
2. To take, have, hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to handle and manage and control, the Endowment Fund, or any part thereof, subject to the usual standards of prudence required of trustees of similar funds and in accordance with the *Ontario Not for Profit Corporations Act*, 2010, S.O. 2010, c. 15;
3. To receive the income, profits, rents and proceeds of the Endowment Fund and to collect and receipt for the same, and pay all administrative and necessary expenses in connection with it. Such expenses shall be paid from the Endowment Fund income;
4. To make, execute and deliver all instruments necessary or proper for the accomplishment of the purposes of the Endowment Fund or of any of the foregoing powers, including deeds, bills of sale, transfers, leases, mortgages, assignments, conveyances, contracts, purchase agreements, waivers, releases and settlements;
5. To contribute, donate, support or distribute, from time to time, for the purposes herein stated, such payments or amounts as the Congregational Council in their discretion shall determine upon reviewing the recommendations by the Endowment Fund Committee;
6. To determine what is principal and income according to accounting procedures;
7. To hold investments in the name of the Endowment Fund on behalf of the Congregation, and to sign cheques and all other necessary documents on behalf of the congregation in furtherance of the Endowment Fund purposes;
8. To employ and reasonably compensate from the Endowment Fund income, accountants, agents, and attorneys to assist and advise in the execution of the Endowment Fund, without liability for their omissions or neglect, but using reasonable care in their selection, and to rely on the advice of the persons so employed.
9. The Congregational Council may receive funds from any individual, corporation or organization, in any form of donation in cash or in other property acceptable to the Congregational Council.
10. The Congregational Council may commingle the assets under its administration and administer such assets as a single fund, so long as the Endowment Fund Committee’s records at all times accurately reflect the receipts and disbursements properly allocable to each distinct category of assets.
11. The Congregation shall in no event be required to make physical segregation of the assets of the Endowment Fund in order to conform to the directions of any individual donors but may establish separate accounts in its accounting records for that purpose.

**ARTICLE SIX – AMENDING ENDOWMENT FUND REGULATIONS**

1. In the event of unforeseen catastrophe or dire emergency, the Congregation may, by a two-thirds majority vote at a duly called annual or special congregational meeting, decide to disburse the Endowment Fund’s principal not restricted by donor directions to the contrary. Notice of such meeting shall include notice of the proposed action.
2. This Endowment Fund regulation may be altered or amended in accordance with the congregation’s by-laws and the *Ontario Not for Profit Corporations Act*, 2010, S.O. 2010, c. 15.
3. Notwithstanding 6.2, the following may not be altered: Article 1.1b, 1.1c and 1.1d, Article 2.7 and 2.8, Article 4.1 and 4.7, Article 5, and Article 6.

The foregoing resolutions are signed by all of the directors of the Congregation in accordance with the provisions of the *Ontario Not for Profit Corporations Act*, 2010, S.O. 2010, c. 15.

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_, 2022.

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