



BOARD OF DIRECTORS HANDBOOK

REVISED AUGUST 2023

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MISSION STATEMENT

To inspire charitable giving for the benefit of our community. To enhance the quality of life for residents of our community, we:

- Foster community-based philanthropy
- Build and carefully manage endowed funds
- Address community needs and opportunities through strategic grant making

COMMUNITY FOUNDATIONS OF CANADA

The Perth and District Community Foundation (PDCF) is one of 191 members of the Community Foundations of Canada (CFC).

CFC is a national network to help Canadians invest in building strong and resilient places to live, work and play. Board members are encouraged to visit www.communityfoundations.ca on a regular basis for inspiration and direction and subscribe to their newsletter for regular updates.

BOARD ORGANIZATION AND MEMBERSHIP

ROLE OF THE PERTH AND DISTRICT COMMUNITY FOUNDATION (PDCF)

The Perth and District Community Foundation's role is threefold:

Encouraging charitable giving. The Perth and District Community Foundation pools the charitable gifts of many donors into an income earning endowment that benefits the community at large and fulfills the philanthropic objectives of individual donors. By collaborating directly with donors, the Community Foundation is able to match their interests and concerns with local organizations and find innovative and responsible ways to give their investments lasting impact. The Community Foundation also offers maximum flexibility to donors wishing to make immediate gifts to the community instead of establishing endowments.

Grant making. The Community Foundation has an in-depth understanding of the issues, opportunities and resources that shape our community. This includes a wide range of community needs. The Community Foundation helps prospective donors learn more about the charitable organizations and programs that make a difference in the areas they care about.

Community leadership. Because the Community Foundation supports the entire spectrum in the charitable sector, we are well positioned to bring people and organizations together, convening diverse voices to address local issues and leverage opportunities in our community.

BRIEF HISTORY

A group of Perth citizens who were leaders in the community came together to discuss the notion of forming a community foundation that would encourage philanthropic giving for the betterment of Perth and the surrounding district. In 2001 the Perth and District Community Foundation was formed with Greg Anderson serving as the first President, Bryce Bell as the Vice President and Secretary and Gavin Marshall as the first Treasurer. Other Board members included Howard Allen, Fred Ladly, Wanda McDonald and Richard Schooley. Since its inception the Foundation has seen a steady growth of its endowments allowing for an increase in grant funding.

It was with a sense of optimism that at the inaugural meeting of the first Board, on Nov. 15, 2001, the oak tree, as symbolized by its acorn and leaves, was chosen as the official logo of the new foundation. Its appropriateness stemmed from the universally acknowledged sense of strength and perpetuity offered by this choice.

The oak has had an important role in the development of our communities across the western half of Lanark County. The oak was not only a significant portion of the frame on which our collective heritages developed and flourished, but to this day, it remains symbolic of desirable characteristics:

- A sense of continuance through time - perpetuity
- Longevity - the wisdom of time – with many specimens living for centuries
- Strength / dependability – emanating from its reliability as a strong, hard, heavy, rot-resistant wood
- A sense of growth and potential to be realized – *from the tiny acorn the mighty oak will grow*

In parallel, our Foundation is laying down the seeds today - the fruits of which will be the yield of generations to come. In 2016 the logo was updated to a more contemporary design while still incorporating the oak as a symbol of strength and continuance.

BOARD COMPOSITION

A maximum of fourteen directors is permitted by the articles and bylaws. Directors are elected by the members from a slate of nominees from the Nominating Committee that includes at least one independent community member. Directors serve two-year terms and may be elected for an additional two-year term. A person holding an executive position may serve up to two additional two-year terms. The Board employs an Executive Director who is responsible for the administration of the Foundation and all support services to the Board and its committees.

The Nominating Committee is responsible for managing the election process and recommending for Board approval, a slate of qualified nominees to stand for election at the annual general meeting of the Board. Each committee of the Board may recommend candidates from the community for membership on committees of the Board.

The Nominating Committee will carry out a process to choose and recommend nominees who possess the skills, knowledge and experience as identified through a needs analysis, to the Board. Through this process the Nominating Committee ensures that the Board is diverse and composed of qualified and skilled persons capable of, and committed to, providing effective leadership to the Foundation. The Foundation serves the community and therefore engages community input to the nomination process by recruiting members from the community at large as voting members of the committee. The underlying philosophy of the Nominating Committee is that donors and supporters of the Foundation have a right to expect the highest possible standard of governance of the Foundation.

The Board of Directors shall present the Nominating Committee's list of nominated candidates, together with the Nominating Committee's rationale, and shall ratify the Nominating Committee's nominations.

The Board of Directors of the Community Foundation may reject any candidate nominated by the Nominating Committee only for good cause as specified below and only as a result of a 75% vote of the Board of Directors.

The causes for which the Board of Directors may reject any nominated candidate include but are not limited to the following:

- The candidate is in a conflict of interest
- The candidate is found to have a criminal record

- The candidate is currently bankrupt
- The candidate has a legal impediment that prevents the candidate from serving
- The diversity requirements for the composition of the Board of Directors of the Community Foundation are not met

ROLE OF THE BOARD MEMBERS

- Remain committed and passionate in the exploration and development of the true potential of a community foundation
- Collectively as a Board maintain a high level of accountability to donors, government agencies, and the community at large
- Collectively as a Board provide direction to the Executive Director
- Attend Board meetings and functions of the Board on a regular basis
- Volunteer from time to time to attend conferences, seminars and other developmental activities
- Take an active role in the Board, its committees and events
- Be prepared to represent the Board, unofficially, at specific events and throughout the greater community
- Develop and maintain a key understanding of the community and its evolving needs
- Take an active role in any fundraising initiatives of the Board
- Be prepared to hold office
- Work closely with the Board's Executive Director in framing issues for the Board's consideration and in the delivery of Board services and programs
- Help identify potential volunteers and future Board members

ROLE OF EXECUTIVE DIRECTOR

- Remain committed and passionate in working with the Board in the exploration and development of the true potential of a community foundation
- Take direction from the Board of Directors as a group while working with individual Directors and Committees within the context of Board policies
- Assume responsibility, within the parameters established by the Board, for determining the methods by which the Board's directions and policy will be executed and desired outcomes achieved
- Ensure the provision of a comprehensive administrative structure in support of the Foundation, the Board and initiatives undertaken by the Board
- Develop and maintain a detailed knowledge and appreciation for the foundation movement, the Perth and District Foundation, and the community in order to function as a resource person to the Board
- Initiate and develop issues and policy discussions for the Board's consideration
- Represent the corporate entity and the Board in discharging the business of the Foundation
- Take an active role in fund-raising initiatives including the development of 'funding partnerships' and 'sustainability plans' for projects supported by the Board

- Search out and identify potential volunteers to assist the Board with its operation, committee work and special initiatives
- Guide the Foundation carry out its mandate to act as a community convener

EXECUTIVE DIRECTOR WORK PLAN

Duties may include those aligned with but not limited to the Annual Operating Schedule.

FIRST QUARTER	SECOND QUARTER
<ul style="list-style-type: none"> • Board Meeting first week of each month • Preparation of annual operating plan • Preparation of annual report • Preparation of annual budget • Board nominating selection process begins • Grants Committee – post- mortem review /report of granting process • Grant Announcement 	<ul style="list-style-type: none"> • Board Meeting first week of each month • Annual General Meeting • Following AGM T2336 Notice of Change of Directors submitted to CRA and Industry Canada • New Director’s Orientation Session • Following AGM Board Executive elected by Board Members • Following AGM Committees identified – mandate/Chairs/members/meeting schedule • Community Foundations of Canada – regional/national meetings • Policy Development review • T3010 Charitable Tax Return due June 30 annually
THIRD QUARTER	FOURTH QUARTER
<ul style="list-style-type: none"> • Board Meetings in July and August at discretion of President • Strategic Planning Session • Granting Process Begins 	<ul style="list-style-type: none"> • Board Meeting first week of each month • Contract Review of Executive Director • Grants Committee making Granting recommendations to Board at December meeting • Refer to all regulatory filing requirements which may change from time to time

ROLE OF EXECUTIVE MEMBERS

PRESIDENT

- Works closely with the Executive Director in all matters concerning the operation of the Foundation
- Together with the Executive Director acts as the voice of the Foundation
- Chairs the Governance Committee and Board meetings
- Assumes responsibility for taking action when directed by the Board.
- Assumes responsibility for Board and Executive Director Performance appraisal.

VICE PRESIDENT

- Assumes the roles of the President when required
- Chairs the Nominations Committee
- Secretary
- Updates Directors Handbook
- Works with President and Executive Director to plan and execute the AGM
- Tracks policy review schedule

TREASURER

- Works with the President and Executive Director to establish and maintain good fiduciary practices
- Chairs the Finance and Investment Committee
- Together with the Executive Director, consults with the Foundation's Financial advisor regarding the portfolio performance
- Acts as the lead board director of financial management
- Prepares for and reports to the Board the results of the annual audit
- Manages cash flow and reconciles bank statements

FUND DEVELOPMENT

One of the three key roles of a community foundation is the building of an endowment fund and the development and provision of a range of flexible and comprehensive donor services.

The acquisition of funds takes place primarily through:

- Bequests as provided through wills
- Gifts from private individuals and corporations

Other funds may be acquired by:

- Fund-raising through direct solicitation
- Fund-raising through the sponsorship of special events

SUMMARY OF FUNDS

An endowment fund is a permanent, self-sustaining source of funding. Assets in an endowment fund are invested. Each year, a portion of the value of the fund is paid out to support the fund's purpose, and any earnings in excess of this distribution are used to build the fund's value. In this way, an endowment fund can grow and provide support for its designated purpose in perpetuity.

PDCF's funds are classified into 3 main types of funds.

1. **Unrestricted Funds:** The resources within this type of fund are required to be maintained on a permanent basis but may be expended for any purpose approved by the Board.
2. **Restricted Funds:** The resources within this type of fund are available to be used for the purposes stipulated by the donor only.
3. **Operating Funds:** The resources within this fund are available for the Foundation's general operating activities. These activities may include fund development, grant making, community leadership projects, leadership projects and philanthropic services to the community.

While community foundations are well known for grant making and helping to fulfill the philanthropic goals of individuals through the management of various types of funds, the Perth and District Community Foundation can also offer organizations the opportunity to easily set up an organization endowment fund.

Families may be encouraged to create a family fund. Family Funds are based on the concept of joint giving. By joining together to establish and donate to a fund, family members, colleagues, neighbours or friends can give back to their community by giving forward. The gift may be unrestricted, allowing the Foundation to direct the funds to current community needs, or restricted by the donors for specific projects or programs. Donors are entitled to published recognition but may remain anonymous.

The number and nature of the funds change frequently and therefore are not outlined in this document. However, Directors may access or be provided with a list of the current funds and their holdings as requested or as required through the Executive Director.

In order to facilitate the growth in funds the Board undertakes a number of initiatives including:

- Developing a close working relationship with the professional advisors within the legal and financial communities
- Developing specific fund-raising events while working with corporate sponsors and volunteers on an ad-hoc basis
- Developing a strategic programme for the solicitation of funds from businesses and individuals
- Creating a comprehensive approach to marketing including the development of tools to aid in the promotion of fund development

GRANTING PROCEDURE

PDCF has an in-depth understanding of the issues, opportunities and resources that shape our community and are therefore well positioned to make granting decisions based on community and agency priorities

The funds received for granting purposes are derived from two sources. One is through investment income earned on the endowed capital and is calculated annually. The second source is through gifts received from donors who have designated the amount of the gift (less the administration fee) and the agency or agencies designated to receive the monies specified by the donor.

Currently there is one granting period each year. Applications are received up to October 31st. During the month of November, the Grants Committee reviews the applications and makes recommendations to the Board at the December meeting for the grants to be made in the following calendar year. The decision of the Board is final. Applicants may be notified of their successful or unsuccessful grant by the end of January or sooner if possible. Cheques are issued early in the new year. Successful grantees may be invited to attend the AGM.

ROLE OF COMMITTEES

The Board of the Foundation has a number of committees made up of at least one Board member who serves as Chair and may include volunteers chosen from the greater community. These Committees are both standing permanent committees to the Board and ad hoc committees set up to assist with a specific item or event such as conducting a more detailed analyses of particular subjects or proposed initiatives to be undertaken by the Board.

The role of any committee is advisory to the Board. The Board provides a clear mandate for committees including area of responsibility, the importance of the undertaking, relevant timelines, reporting schedule, record-keeping requirements, and degree of confidentiality required through the committee Terms of Reference.

TERMS OF REFERENCE OF COMMITTEES

MARKETING COMMITTEE

Terms of Reference approved November 3, 2020

Accountability and Reporting: The Chair will circulate each meeting agenda 7 days in advance. The committee will choose a member to record meeting minutes and provide them to the Chair for review within 7 days. Once reviewed, the Chair will provide the minutes to the Executive Director in time for inclusion in the Board meeting packages. Recommendations should be clearly identified and recorded in the form of a motion in order to facilitate presentation to the Board for approval. The Chair or designate will assume the responsibility of reporting to the Board on a monthly or as required basis.

Purpose: The Marketing Committee will be responsible for spreading the word about what Perth and District Community Foundation is, what it does and how one can get involved in the foundation as a donor or supporter. All marketing needs to reflect the high esteem of the Perth and District Community Foundation and represent our donors and grantees positively.

Key Duties:

- Develop a marketing plan and set yearly goals in order to meet the needs of the Foundation.
- Produce marketing materials appropriate for different purposes and target markets.
- Provide general advertising, media relations and assist as needed for event promotion.
- Brand PDCF as an important and recognizable organization in the community.
- Working with the webmaster, manage and oversee the Foundation's website and social media.

Where possible, the committee should utilize marketing materials produced by Community Foundations of Canada including: Marketing and Communications for Canadian Community Foundations – Information Kit/Creating a Plan.

Membership: The committee will be comprised of 3 to 6 members. One to two Board members, including the chair, should sit on the committee. The remaining members should be representing a mix of creative and strategic thinkers. In general, they should possess a good working knowledge of the Foundation, awareness of community strengths, weaknesses, issues, organizations and initiatives, and marketing and communication expertise. The Board's Executive Director will be a member of the committee.

Expert Advisors: The committee may draw on the expertise of non-committee members to assist with specific projects.

Sub-committees: The committee may develop a number of sub-committees aimed at specific projects or target groups. These sub-committees will report to the Marketing Committee who in turn will report to the Board.

Chair: Chairperson: The Chair of the committee will be a Board member. In the event that a Board member is not available to assume this role, a member at large from the committee may be chosen. The appointment of Chair is subject to Board approval. The Chair will be responsible for reporting to the Board of Directors.

Records: A member of the committee will be assigned the responsibility of recording minutes and providing them to committee members and to the Executive Director in time for inclusion in the Board meeting packages within 2 working days after a meeting. Decisions of the committee should be clearly identified in order to facilitate presentation to and subsequent approval by the Board. The Chair will assume the responsibility of reporting to the Board on a monthly, or as required, basis.

Decisions and recommendations will be identified in the form of a motion in order to facilitate subsequent approval by the Board of Directors of the Community Foundation.

Quorum: Presence of 51% or more of the Marketing Committee will represent quorum.

Meetings: Meeting will normally take place monthly or at the call of the Chair.

Confidentiality: All members of the Marketing Committee will complete a Community Foundation Confidentiality agreement.

FINANCE INVESTMENT AND AUDIT COMMITTEE

Terms of Reference approved November 3, 2020

Accountability and Reporting: The Chair will circulate each meeting agenda 7 days in advance. The committee will choose a member to record meeting minutes and provide them to the Chair for review within 7 days. Once reviewed, the Chair will provide the minutes to the Executive Director in time for inclusion in the Board meeting packages. Recommendations should be clearly identified and recorded in the form of a motion in order to facilitate presentation to the Board for approval. The Chair or designate will assume the responsibility of reporting to the Board on a monthly or as required basis.

Mandate: The mandate of the Finance, Investment and Audit Committee (FIAC) is to ensure that donors and supporters of the Foundation can expect the highest possible degree of financial integrity in the stewardship of the funds they provide.

In order to do so, the FIAC is responsible for the oversight of and making recommendations to the Board of all aspects of the investment management and investment policies of the Foundation and ensures accountability and transparency through regular documented reviews. The committee also ensures appropriate internal controls are in place to enable the board to make financial decisions based on the Foundations books & records that are complete, accurate, and up to date.

Function / Responsibilities:

FINANCIAL ASSETS	
ANNUAL DUTIES	QUARTERLY DUTIES
<ul style="list-style-type: none"> • Meet a minimum of once annually with the portfolio manager • Review the Investment Policy and recommend updates as required including the establishment/ revision of relevant performance targets • Review the performance of the Portfolio Manager and recommend changes if required • Review the procedures for the establishment of Donor funds and the appropriate Donor Directions and Donor Endowment Fund Agreements between the Foundation and prospective donors to ensure the interests of both are safeguarded 	<ul style="list-style-type: none"> • Review performance of Investment Portfolio against performance targets and report to Board

FINANCIAL REPORTING	
ANNUAL DUTIES	QUARTERLY DUTIES
<ul style="list-style-type: none"> • Develop an operating budget for the Foundation each year, in cooperation with the Executive Director • Review banking practices/signing officers’/ service charges / etc. and make recommendations to the Board as required • Advise Granting Committee of required Grant Disbursement Quota • Chair to discuss with external auditor overall quality of internal controls of PDCF and request any feedback. Report back to FIA Committee prior to review of Financial Statements • Review Financial Statements and CRA Charitable tax return prepared by Auditor/Accountant • Work with the Marketing Committee in the development of materials (electronic, web and hard copy) which will form part of public financial information • Review the Source Deductions and Remittances to ensure we are compliant 	<ul style="list-style-type: none"> • Monitor actual expenditures against the budget approved by the Board • Review bank reconciliations • Review donor and gifts received by the Foundation and ensure adequate donation receipting in line with the Canada Revenue Agency guidelines • From time to time, discuss any financial issues that may arise and provide recommendations for board approval

Membership: The committee will be comprised of a minimum of four members a member of the Board as Committee Chair who will also serve as Treasurer of the Foundation, the President of the Foundation, one additional Board member, and every effort should be made to recruit additional members of the public to be appointed by the Board.

Accountability and Reporting:

- All financial accounting and reporting will be completed using Foundant Community Suite™ software.
- Every effort will be made to conduct all financial transactions electronically.
- The committee chair or designate will be assigned the responsibility of recording minutes and providing them to the Executive Director in time for inclusion in the Board meeting packages.
- Decisions and recommendations of the committee should be clearly identified in order to facilitate presentation to and subsequent approval by the Board. The Chair will assume the responsibility of reporting to the Board on a monthly, or as required, basis.

Quorum: A simple majority will constitute a quorum

Term: Same as board or two years for community members

Meeting Schedule: Meetings will take place quarterly or at the call of the Chairperson.

Confidentiality: All members of the FIAC will execute the Community Foundation non-disclosure agreement.

FUND DEVELOPMENT COMMITTEE

Terms of Reference *not yet approved*

Purpose: One of the key activities which support a successful Community Foundation is a well thought out and organized fundraising plan. This engages the community in a direct and specific manner, for which accountable results by the Foundation are expected.

As such, the focus of the PDCF Fund Development Committee is two-fold:

- To work in concert with the Marketing Committee's fundraising activities
- To provide information seminars/events which promote the notion of "planned giving" to targeted groups within the community

Mandate: The Fund Development Committee shall produce and deliver an annual fundraising plan to cover the needs of the PDCF. The plan shall cover a twelve-month period from March to February of the following year to recognize events already in progress and strategic planning directions underway from previous Board decisions.

The roles of the Committee are:

- To consider avenues for developing funds; Such consideration includes identifying the target audience(s), create networking opportunities, communicate and successfully deliver planned event(s).
- To engage in strategic planning activities; The Fund Development Committee must be instrumental in creating a long-term fundraising development plan which addresses, amongst other items include the identification of prospective contributors / donors; and the cultivation and retention of contributors / donors through public recognition opportunities.

Chairperson: The Chair of the committee will be a board member. The Chair shall be responsible for having a well-developed succession planning function incorporated into ongoing activities.

Membership: The committee will ideally be comprised of 4 to 6 members - sometimes more if required. One to two Board members, including the Chair, should sit on the committee. Members should possess a good working knowledge of the Foundation, awareness of community strengths, weaknesses, issues, organizations and initiatives, and fundraising projects. The Executive Director will be an ex-officio member of the committee.

The committee may also draw upon the expertise of non-committee members to assist with specific projects. The committee may develop a number of sub-committees aimed at specific projects or target groups. These sub-committees will report to the Fund Development Committee who in turn reports to the board.

Confidentiality: All members of the Fund Development Committee will execute the Community Foundation non-disclosure agreement.

Accountability and Reporting: Fundraising ventures must be carried out in a professional manner with appropriate financial safeguards. Accountability and reporting must be transparent, and all funds raised must be allocated to the fund/program for which they were raised. A variety of fundraising activities should be explored as required, including working with community partners as opportunities arise.

The Chair will circulate each meeting agenda 7 days in advance. The Executive Director or designate will record meeting minutes and provide them to the Chair for review within 7 days. Once reviewed, the Chair will provide the minutes to the Executive Director in time for inclusion in the Board meeting packages. Recommendations should be clearly identified and recorded in the form of a motion in order to facilitate

presentation to the Board for approval. The Chair or designate will assume the responsibility of reporting to the Board on a monthly or as required basis.

NOMINATING COMMITTEE

Terms of Reference approved November 3, 2020

Purpose: The Nominating Committee is responsible for

1. Recommending a slate of candidates to stand for election to the Perth and District Community Foundation (PDCF) Board of Directors annually.
2. Succession planning for officers of the Board.
3. Succession planning for committee membership.

Key Duties (*beginning in March*) :

- Determine which of the current Directors is completing their first term of office and whether they choose to stand for re-election for a second term.
- Determine whether all existing Directors will fulfill their current terms.
- Determine if any gaps exist in the current slate of the Executive and, if necessary, interview Directors to determine who might wish to be elected to serve as a member of the Executive. Make any recommendations to the Board.
- Determine the number of Board vacancies for the upcoming year.
- Conduct a needs analysis for persons who possess the required skills, knowledge or experience to ensure the Board is diverse and capable of providing effective leadership to the Foundation.
- Consider a variety of advertising methods to reach out to members of the community to ensure transparency and inclusivity. This shall include current directors being encouraged to submit names of persons who might be interested and capable of becoming a director.
- Review all applications for suitability and conduct interviews.
- Determine the slate of candidates to present to the Board for approval.
- Upon approval the ED will contact successful candidates to ensure completion of the consent form, confidentiality agreement and obtain a brief biographical statement.
- The ED will provide any new director with a copy of the Board of Directors Handbook with a brief review of the Foundation and expectations of a Board of Director.
- Elections will occur at the AGM.
- Review the structure of each committee and note vacancies/gaps. With the President and Executive Director assign new Directors to committees that best match their skill set and assist and encourage committee chairs to recruit community members.

Membership: The members of the Nominating Committee shall be comprised of a minimum of 4 members. The Vice President of the Board, one other officer of the Board, one additional Board member and one community member who may also be a member of the Emeritus Council. The Executive Director will be a non-voting member of the Nominating Committee. Members will serve on the Nominating Committee from March to January. The Nominating Committee disbands once a slate has been presented to the Board of Directors.

Chair: The Chair of the Nominating Committee will be the Vice President of the Community Foundation.

Committee Recommendation: The Board of Directors will be presented with the Nominating Committee's list of nominated candidates at a regular Board meeting, together with the Nominating Committee's rationale, and shall ratify the Nominating Committee's nominations.

The Board of Directors of the Community Foundation may reject any candidate nominated by the Nominating Committee only for good cause as specified below and only as a result of a 75% vote of the Board of Directors.

The causes for which the Board of Directors may reject any nominated candidate include but are not limited to the following:

- The candidate is in a conflict of interest;
- The candidate is found to have a criminal record;
- The candidate is currently bankrupt;
- The candidate has a legal impediment that prevents the candidate from serving;
- The diversity requirements for the composition of the Board of Directors of the Community Foundation are not met.

Accountability and Reporting: The Chair will circulate each meeting agenda 7 days in advance. The Executive Director or designate will record the minutes and once reviewed, the Chair will provide the minutes to the Executive Director in time for inclusion in the Board meeting packages. Recommendations should be clearly identified and recorded in the form of a motion in order to facilitate presentation to the Board for approval. The Chair or designate will assume the responsibility of reporting to the Board on a monthly or as required basis.

Quorum: Three members of the Nominating Committee present constitute a quorum for the purposes of holding a meeting. For matters requiring a vote, the vote of a majority of those present governs.

Meetings: At the call of the Chair. The first meeting of the members of the Nominating Committee shall be no later than October in each year.

Confidentiality: All members of the Nominating Committee will execute the Community Foundation non-disclosure agreement.

GOVERNANCE COMMITTEE

Terms of Reference approved October 2020

Purpose: The Governance Committee is responsible for leading strategic planning for the Foundation and hiring and review of the Foundation's Executive Director.

Key Duties: The Governance Committee will:

- Set the agenda for Board planning meetings/retreats and strategic planning meetings;
- In consultation with the Executive Director and, as applicable, other committee chairs, review and update the Foundation's strategic plan and operational plan; (5 years)
- Provide training for incoming and existing Board members;
- Conduct an annual review of Board performance and interests;
- Develop and implement a hiring process for the Executive Director, as required;
- Board President & Vice President will conduct an annual performance review of the Executive Director and present recommendations regarding the Executive Director's performance and any recommendations for change in the job description or compensation to the Board;
- Taking account of emerging best practices in governance and the need to ensure compliance with the Community Foundations of Canada and federal and provincial legislative requirements, develop new policies for the Foundation, as required, and conduct regular review of existing policies, Board committee structure and terms of reference and effectiveness of Board

committees and, in consultation with other committee chairs, as applicable, submit recommendations for changes to the Board;

- Provide the Executive Director with any necessary agenda inclusions one week in advance of scheduled Board meetings.
- The ED or designate will conduct exit interviews as members leave the Board.

Chairperson: The Chair of the Committee will be the President or designate.

Membership: The Committee will be comprised of 4-5 Board members at least 2 of which shall be the President and one other officer. The Executive Director will be an ex-officio member of the Committee.

Meeting Schedule: Meetings will take place at least 4 times per year or at the call of the Chair. If all Committee members agree, meetings may take place telephonically or by email or other means of electronic communication. Three members of the Committee present shall constitute a quorum for the purposes of holding a meeting. For matters requiring a vote, the vote of three members of the Committee is required.

Accountability and Reporting: The Chair will circulate each meeting agenda 7 days in advance. The committee will choose a member to record meeting minutes and provide them to the Chair for review within 7 days. Once reviewed, the Chair will provide the minutes to the Executive Director in time for inclusion in the Board meeting packages. Recommendations should be clearly identified and recorded in the form of a motion in order to facilitate presentation to the Board for approval. The Chair or designate will assume the responsibility of reporting to the Board on a monthly or as required basis.

GRANTS COMMITTEE

Terms of Reference approved October 2020

Purpose: The Grants Committee shall be responsible for making annual recommendations to the Board regarding the granting of funds.

Key Duties: In fulfilling its mandate, the Grants Committee shall advise the Board on all aspects of granting. In reviewing applications consideration should include ensuring maximum benefit to the community the priorities established by the current Vital Signs report and the strategic advancement of the Foundation and its objectives.

Direct Annual Granting Duties:

- Prepare an annual work plan to reflect the strategic plan. The plan shall cover a twelve-month period from March of the current year to February of the following year.
- Establish annual granting priorities that will maximize benefits to the community and advance the strategic objectives of the Foundation.
- Receive and review all grant applications.
- Receive and review all reports of completed projects.
- Ensure that all grant applications are compliant with Canada Revenue Agency.
- Ensure that the amount of funds granted annually do not exceed that year's amount as recommended by the Board Treasurer.
- Advise the Board on all aspects of the granting process at each Board meeting during the granting period.
- Formulate grant recommendations and present the decision-making rational and successful candidates to the Board for approval.

Additional Duties as Required:

- Assist the Board in the development of the granting guidelines, policies and the timing of the granting program.
- At least once every 3 years or when required, review and revise the granting guidelines and policies.
- Support the Executive Director as needed in the design of grant application forms.
- Collaborate with the Executive Director to, develop innovative approaches in responding to grant requests in order to get maximum benefit for the finite dollars available. This would include, among other initiatives: the identification of partnerships; the researching of best practices; the encouragement of in-kind contributions; providing an opportunity for charitable organizations to liaise with Foundation members, the community at large and with each other; the advancement of volunteerism; and the general brokering of solutions to community needs.
- Engage in other grant related activity as identified by the committee or the Board
- Plan events that provide an opportunity for charitable organizations to liaise with Foundation members, the community at large and with each other as possible.
- Use available data to identify strategic long-term community needs and provide direction to the Granting Committee.
- Address questions/issues relative to the granting process at the Board's request.

Membership: The Grants Committee shall be comprised of a minimum of 4 members, the majority being members of the Board but, the committee may recommend additional members of the public to be appointed by the Board. The Executive Director will be an ex-officio member of the committee.

Chairperson: The chair shall be a member of the Board of Directors.

Quorum: Three members of the Committee shall constitute a quorum for the purposes of holding a meeting. For matters requiring a vote, the vote of three members of the committee is required.

Meetings: The Committee will hold a minimum of two meetings per year.

Accountability and Reporting: The Chair will circulate each meeting agenda 7 days in advance. The Executive Director or designate will record meeting minutes and provide them to the Chair for review within 7 days. Once reviewed, the Chair will provide the minutes to the Executive Director in time for inclusion in the Board meeting packages. Recommendations should be clearly identified and recorded in the form of a motion in order to facilitate presentation to the Board for approval. The Chair or designate will assume the responsibility of reporting to the Board on a monthly or as required basis.

Confidentiality: All members of the Grants Committee will execute the Community Foundation non-disclosure agreement.

VITAL SIGNS COMMITTEE

Terms of Reference approved November 2020

Mandate: The Vital Signs Committee will be responsible for the continuation of Vital Signs initiatives for the Perth and District Community Foundation.

Key Duties:

- Monitor the progress of Vital Signs initiatives as reported by Community Foundations Canada.
- Determine Vital Signs goals that are relevant and build on past initiatives for the Perth and District Community Foundation.

- Create an annual work plan.
- Oversee the implementation of annual initiatives.

Membership: The committee shall be composed of at least two Board members and one community member with knowledge of the needs of the community. The Executive Director shall be an ex-officio member of the committee. The Chairperson shall be a Board member. The committee may call upon the expertise of non-committee members as required.

Record Keeping: Minutes of each meeting shall be recorded and reported to committee members and the Board in a timely manner. A member of the committee who may be the Executive Director will be assigned the duty of recorder.

Meeting Schedule: Meetings shall take place at the call of the Chair.

Confidentiality: All members of the committee shall execute the Community Foundation's non-disclosure agreement

EMERITUS COUNCIL CHARTER

Terms of Reference approved November 3, 2015

Purpose: The Perth and District Community Foundation (PDCF) is a charitable corporation governed by a Board of Directors. The Emeritus Council (EC) assists the PDCF Board in carrying out the mission of the PDCF by contributing experience, knowledge, and skills that augment and complement the knowledge and skills of the members of the Board.

Selection and Membership: The EC may consist of any number of members and as few as one member. EC members will be appointed and elected by a two-thirds majority of the Board. Appointees will be drawn from past members of the Board who have served a minimum of one board term whose experience, knowledge, and wisdom provide value to the Board and its deliberations on behalf of the PDCF.

Every member of the EC will serve a two (2) year term and may serve as many terms as required by the Board and agreed by the member.

EC members will be identified as such on the PDCF's website and in other PDCF publications including the annual report.

Duties, Functions, and Responsibilities:

- The EC's primary role is to provide advice and guidance in response to requests by the Board. The EC has no formal governing or fiduciary responsibility for the PDCF.
- EC members will be invited to attend the PDCF AGM or special meetings of the Board but have no voting rights.
- The Board will convene a full meeting of the Board and the EC at least once per year to update the EC on PDCF affairs, including current objectives and plans for achieving those objectives.
- The EC or specific EC members maybe asked by the Board to perform special duties, undertake projects or serve on Board committees.

ARTICLES OF CONTINUANCE AND BY-LAWS

THE PERTH AND DISTRICT COMMUNITY FOUNDATION

A By-Law relating generally to the conduct of the affairs of The Perth and District Community Foundation (the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

1. Existing By-Laws

1.1 This By-Law shall be referred to as By-Law No. 1 of The Perth and District Community Foundation and revokes and replaces, in their entirety, By-Laws Nos. 1, 2, 3, 4, and 5 of the Corporation.

2. Definition

2.1 In this By-Law (No. 1) and all other by-laws of the Corporation, unless the context otherwise requires:

- (a) "Act" means the Canada Not-For-Profit Corporations Act S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time;
- (b) "articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation;
- (c) "Board" means the board of directors of the Corporation and "Director" means a member of the board;
- (d) "By-Law" means this by-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect;
- (e) "meeting of members" includes an annual meeting of members or a special meeting of members; "special meeting of members" includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members;
- (f) "ordinary resolution" means a resolution passed by a majority of not less than fifty percent (50%) plus one (1) of the votes cast on that resolution;
- (g) "Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time; and
- (h) "special resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

3. Interpretation

3.1 In the interpretation of this by-law, words in the singular include the plural and vice-versa, gender neutral pronouns include all genders, and "person" includes an individual, body corporate, partnership, trust and unincorporated organization. Other than as specified above, words and expressions defined in the Act have the same meanings when used in these by-laws.

ADMINISTRATIVE MATTERS

4. Execution of Documents

4.1 Deeds, transfers, assignments, contracts, obligations, and other instruments in writing requiring execution by the Corporation may be signed by any two (2) of its officers. In addition, the Board may from time to time, by ordinary resolution, direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) of the Corporation to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.

5. Financial Year

5.1 The financial year end of the Corporation shall be December 31 in each year.

6. Banking Arrangements

6.1 The banking business of the Corporation shall be transacted at such bank, trust company or other firm or corporation carrying on a banking business in Canada or elsewhere as the Board may, by ordinary resolution designate, appoint or authorize from time to time. The banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the Board may by ordinary resolution from time to time designate, direct or authorize.

7. Borrowing Powers

7.1 The Directors may from time to time:

- (a)** borrow money on the credit of the corporation;
- (b)** issue, reissue, sell, pledge or hypothecate debt obligations of the corporation; and
- (c)** mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the corporation, owned or subsequently acquired, to secure any debt obligation of the Corporation.

7.2 Any such by-law may provide for the delegation of such powers by the Directors to such officers or Directors of the Corporation to such extent and in such manner as may be set out in the by-law.

7.3 Nothing herein limits or restricts the borrowing of money by the corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

8. Annual Financial Statements

8.1 The Corporation may, instead of sending copies of the annual financial statements and other documents referred to in subsection 172(1) (Annual Financial Statements) of the Act to the members, publish a notice to its members stating that the annual financial statements and documents provided in subsection 172(1) are available at the registered office of the Corporation and any member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.

MEMBERSHIP

9. Membership Conditions

9.1 Subject to the articles, there shall be one (1) class of members in the Corporation. Membership in the Corporation shall be available only to persons while serving as directors who have been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board. Each member shall be entitled to receive notice of, attend and vote at all meetings of the members of the Corporation. There shall be no dues payable by members for membership in the corporation.

9.2 Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendments to this section of the by-laws if those amendments affect membership rights and/or conditions described in subsections 197(1)(e), (h), (l) or (m) of the Act.

10. Membership Transferability

10.1 A membership may only be transferred to the Corporation. Pursuant to Section 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to add, change or delete this section of the by-laws.

11. Annual General Meeting

11.1 The Directors shall call an annual meeting of members each year to be held in each year not later than fifteen (15) months after the last preceding annual meeting of members but not later than six (6) months after the end of the Corporation's preceding financial year.

11.2 The following persons shall be entitled to notice of and to attend the annual meeting of members:

- (a) Directors of the Corporation;
- (b) members of the Corporation;
- (c) public accountant of the Corporation; and
- (d) such other invitees to the annual meeting of members as determined by the Board of Directors of the Corporation.

12. Notice of Members Meeting

12.1 Notice of the time and place of a meeting of members shall be given to each member entitled to vote at the meeting as follows:

- (a) by telephonic, electronic or other communication facility to each member entitled to vote at the meeting not less than twenty-one (21) to thirty-five (35) days before the day on which the meeting is to be held; or
- (b) by mail, courier or personal delivery not less than twenty-one (21) days to sixty (60) days before the day on which the meeting is held.

12.2 Pursuant to subsection 197(1) (Fundamental Change) of the Act, a special resolution of the members is required to make any amendment to the by-laws of the Corporation to change the manner of giving notice to members entitled to vote at a meeting of members.

13. Members Calling a Members' Meeting

13.1 The Board shall call a special meeting of members in accordance with Section 167 of the Act, on written requisition of members carrying not less than twenty percent (20%) of the voting rights. The Board or president has the power to call a special meeting of members at any time.

14. Absentee Voting at Members' Meetings

14.1 Pursuant to Section 171(1) of the Act, a member entitled to vote at a meeting of members may vote by proxy by appointing in writing a proxy holder, and one or more alternate proxy holders, who are not required to be members, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by it subject to the following requirements:

- (a)** a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
- (b)** a member may revoke a proxy by depositing an instrument or act in writing executed:
 - (i) at the registered office of the corporation no later than the last business day preceding the day of the meeting, or the day of the continuation of that meeting after an adjournment of that meeting, at which the proxy is to be used, or
 - (ii) with the chairperson of the meeting on the day of the meeting or the day of the continuation of that meeting after an adjournment of that meeting;
- (c)** a proxy holder or an alternate proxy holder has the same rights as the member by whom they were appointed, including the right to speak at a meeting of members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the meeting and, except where a proxy holder or an alternate proxy holder has conflicting instructions from more than one member, to vote at the meeting by way of a show of hands;
- (d)** if a form of proxy is created by a person other than the member, the form of proxy shall
 - (i) indicate, in bold-face type,
 - A. the meeting at which it is to be used,
 - B. that the member may appoint a proxy holder, other than a person designated in the form of proxy, to attend and act on their behalf at the meeting, and
 - C. instructions on the manner in which the member may appoint the proxy holder,
 - (ii) contain a designated blank space for the date of the signature,
 - (iii) provide a means for the member to designate some other person as proxy holder, if the form of proxy designates a person as proxy holder,
 - (iv) provide a means for the member to specify that the membership registered in their name is to be voted for or against each matter, or group of related matters, identified in the notice of meeting, other than the appointment of a public accountant and the election of directors,
 - (v) provide a means for the member to specify that the membership registered in their name is to be voted or withheld from voting in respect of the appointment of a public accountant or the election of directors, and
 - (vi) state that the membership represented by the proxy is to be voted or withheld from voting, in accordance with the instructions of the member, on any ballot that may be

called for and that, if the member specifies a choice under subparagraph (iv) or (v) with respect to any matter to be acted on, the membership is to be voted accordingly;

- (e) a form of proxy may include a statement that, when the proxy is signed, the member confers authority with respect to matters for which a choice is not provided in accordance with subparagraph (d)(iv) only if the form of proxy states, in bold-face type, how the proxy holder is to vote the membership in respect of each matter or group of related matters;
- (f) if a form of proxy is sent in electronic form, the requirements that certain information be set out in bold-face type are satisfied if the information in question is set out in some other manner so as to draw the addressee's attention to the information; and
- (g) a form of proxy that, if signed, has the effect of conferring a discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may properly come before the meeting must contain a specific statement to that effect.

14.2 Pursuant to Section 197(1) of the Act, a special resolution of the members is required to make any amendment to the articles or by-laws of the Corporation to change this method of voting by members not in attendance at a meeting of members.

15. Termination of Membership

15.1 A membership in the Corporation is terminated when:

- (a) the member dies;
- (b) at a meeting of the Board, a special resolution is passed to terminate the membership of a member in accordance with Section 15.2 below;
- (c) the member resigns by delivering a written resignation to the President such resignation to take effect on the date the notice is given or on such later date as may be specified in the notice;
- (d) the member's term as a Director expires or the member ceases to qualify for election as a Director;
- (e) the member fails to attend two (2) successive meetings of the Board, unless the member has been specifically excused by ordinary resolution of the Directors; or
- (f) the Corporation is liquidated or dissolved under the Act.

15.2 The Board shall have the authority to terminate the membership of any members of the Corporation for any one or more of the following grounds:

- (a) violating any provision of the articles, by-laws or written policies of the Corporation;
- (b) carrying out any conduct which may be detrimental to the Corporation as determined by the Board in its sole discretion; or
- (c) for any other reason that the Board in its sole and absolute discretion considers to be reasonable, having regard to the purpose of the Corporation.

15.3 In the event that the Board determines that a membership should be terminated, then the President, or such other officer as may be designated by the Board, shall provide twenty (20) days notice of termination to the member and shall provide reasons for the proposed termination. The member receiving the notice may make written submissions to the President, or such other officer as may be designated by the Board, in response to the notice received within such twenty (20) day period. In the event that no written submissions are received by the President, or such other officer as may be designated by the Board, then the President, or such other officer as may be designated

by the Board, may proceed to notify the members that the membership of such member is terminated. If written submissions are received in accordance with this Section, then the Board will consider such submissions in arriving at a final decision and shall notify the member concerning such final decision within a further twenty (20) days from the date of receipt of the submissions. The Board's decision shall be final and binding on the member, without any further right of appeal.

16. Effect of Termination of Membership

16.1 Subject to the articles, upon the termination of a membership in the Corporation:

- (a) the rights of the member, including any rights in the property of the Corporation, automatically cease to exist; and
- (b) the member ceases to hold office as a Director and officer.

17. Proposals Nominating Directors at Annual Members' Meetings

17.1 Any member may submit to the Corporation notice of any matter that the member proposes to raise at a meeting of the members. A member who submits such a proposal in compliance with the provisions set out in the Act and the Regulations shall be entitled to discuss the matters set out in the proposal at the meeting of the members.

17.2 A proposal submitted to the Corporation for the nomination for election of a Director(s) shall only be valid if the proposal is signed by not less than one (1) member of the Corporation entitled to vote at a meeting of members.

17.3 The member or members who submit a proposal shall pay the cost of including the proposal and any statement in the notice of meeting at which the proposal is to be presented unless otherwise provided by ordinary resolution of the members present at the meeting.

18. Place of Members' Meeting

18.1 Subject to compliance with section 159 (Place of Members' Meetings) of the Act, meetings of the members may be held at any place within Canada determined by the Board or, if all of the members entitled to vote at such meeting so agree, outside Canada.

19. Persons Entitled to be Present at Members' Meetings

19.1 The only persons entitled to be present at a meeting of members shall be those entitled to vote at the meeting, the directors and the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, articles or by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the members.

20. Chair of Members' Meetings

20.1 In the event that the president of the Board and the vice-president of the board are absent, the members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

21. Quorum at Members' Meetings

21.1 A quorum for the transaction of business at any meeting of the members (unless a greater number of members are required to be present by the Act) shall be a majority of the members (or proxy

holders) entitled to vote at the meeting. If a quorum is present at the opening of a meeting of members, the members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.

22. Votes to Govern at Members' Meetings

22.1 At any meeting of members every question shall, unless otherwise provided by the articles or by-laws or by the Act, be determined by a majority of the votes cast on the questions. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.

23. Participation by Electronic Means at Members' and Directors' Meetings

23.1 Any person entitled to attend a meeting of members or directors may participate in the meeting by means of a telephonic, electronic, or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the corporation makes such means available.

23.2 If the directors or members of the corporation call a meeting of the members under the Act, the directors or members, as the case may be, may determine that the meeting be held entirely by a telephonic, an electronic, or other communication facility that permits all participants to communicate adequately with each other during the meeting.

23.3 A person participating in a meeting of directors or members as permitted in this clause 23 is deemed to be present at the meeting.

23.4 Any person participating in a meeting of directors or members who is entitled to vote at that meeting may vote in accordance with the Act by means of any telephonic, electronic, or other communication facility that the Corporation has made available for that purpose.

DIRECTORS

24. Qualifications

24.1 The following individuals shall be disqualified from being a Director of the Corporation:

- (a)** an individual who is less than eighteen (18) years of age;
- (b)** an individual who has been declared incapable by a court in Canada or in another country;
- (c)** an individual found to be bankrupt; or
- (d)** an individual who is not a member of the Corporation or whose membership has been terminated in accordance with the provisions of this by-law.

25. Number of Directors

25.1 The Board shall consist of a minimum number of six (6) Directors and a maximum number of twelve (12) Directors. The Board shall be comprised of the fixed number of Directors as determined from time to time by the members by ordinary resolution or, if the ordinary resolution empowers the Directors to determine the number, by resolution of the board. The minimum number of Directors may not be fewer than three (3), at least two of whom are not officers or employees of the Corporation.

25.2 The Board shall annually appoint a Nominating Committee which shall be governed by the Terms of Reference approved by the Board from time to time. Not less than sixty (60) days in advance of the meeting of the members at which Directors are to be elected, the chair of the Nominating Committee shall present to the Board the names of those persons it recommends for election as Directors. Those persons recommended by the Nominating Committee for election as Directors who, if they are then approved by the Board, shall be the nominees for election to the Board. This list of nominees shall be submitted to the members with the notice of the annual meeting.

25.3 Any person who is not recommended by the Nominating Committee for election as a Director and who is otherwise qualified to be elected as a Director, may seek election as a Director provided the Corporation receives a proposal from one (1) existing member of the Corporation for such person's nomination as a Director in accordance with Section 17.2 above at least thirty (30) days prior to the meeting of the members at which Directors are to be elected.

26. Term of Office of Directors

26.1 The Directors shall be elected by the Members at the annual general meeting of the Corporation (the "AGM"). The term of office of the Directors shall be for two (2) years starting on the date of the AGM at which they are elected. A Director may be elected to hold one (1) additional consecutive two (2) year term. A former director is eligible for re-election following a two (2) year absence from office as Director. If a Director is not elected at an AGM to replace an incumbent Director, the incumbent Director shall continue in office until a replacement is elected.

26.2 A Director's term of office may be extended by up to two (2) additional one (1) year terms in excess of the four (4) consecutive years if in each of those one (1) year terms, and so long as, the Director serves as an officer of the Corporation.

26.3 A Director ceases to hold office when the Director:

- (a) dies;
- (b) ceases to be a member;
- (c) the Director resigns by delivering a written resignation to the President such resignation to take effect on the date the notice is given or on such later date as may be specified in the notice;
- (d) fails to attend two (2) successive meetings of the Board, unless the Director has been specifically excused by ordinary resolution of the Board; or
- (e) is disqualified at any point during the Director's term of office by reason of any one (1) of the reasons set out in Section 24.1 above.

27. Calling of Meetings of Board of Directors

27.1 Meetings of the board shall be called by the President of the Board, the Vice-President of the Board or by any other two (2) Officers of the Board to be held at such time and in such place as the person(s) calling the meeting shall determine.

28. Notice of Meeting of Board of Directors

28.1 Notice of the time and place for the holding of a meeting of the board shall be given in the manner provided in the section on giving notice of meeting of Directors of this by-law to every Director of the Corporation not less than fourteen (14) days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the Directors are present, and none objects to

the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Unless the by-law otherwise provides, no notice of meeting need specify the purpose or the business to be transacted at the meeting except that a notice of meeting of directors shall specify any matter referred to in subsection 138(2) (Limits on Authority) of the Act that is to be dealt with at the meeting.

29. Regular Meetings of the Board of Directors

29.1 The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the board shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

30. Votes to Govern at Meetings of the Board of Directors

30.1 At all meetings of the Board, every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.

31. Committees of the Board of Directors

31.1 The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by ordinary resolution of the Board.

OFFICERS OF CORPORATION

32. Appointment of Officers

32.1 The board may designate the offices of the Corporation, appoint officers on an annual or more frequent basis, specify their duties and, subject to the Act, delegate to such officers the power to manage the affairs of the Corporation. A Director may be appointed to any office of the Corporation. An officer may, but need not be, a Director unless these by-laws otherwise provide.

33. Description of Offices

33.1 Unless otherwise specified by the Board (which may, subject to the Act modify, restrict or supplement such duties and powers), the offices of the Corporation, if designated and if officers are appointed, shall have the following duties and powers associated with their positions:

(a) President – The President of the Board shall be a director. The President of the board, shall, when present, preside at all meetings of the Board of directors and of the members. The president shall, subject to the authority of the Board, have general supervision of the affairs of the Corporation. The president shall have such other duties and powers as the board may specify.

(b) Vice-President – The vice-president of the Board shall be a director. If the president of the board is absent or is unable or refuses to act, the vice-president of the board shall, when present,

preside at all meetings of the Board and of the members. The vice-president shall have such other duties and powers as the board may specify.

(c) Secretary – If appointed, the secretary shall attend and be the secretary of all meetings of the board, members and committees of the board. The secretary shall enter or cause to be entered in the Corporation's minute book, minutes of all proceedings at such meetings; the secretary shall give, or cause to be given, as and when instructed, notices to members, directors, the public accountant and members of committees; the secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation unless some other officer or agent has been appointed for any of these purposes.

(d) Treasurer – If appointed, the treasurer shall be the Chair of the Corporation's Finance Committee and shall have such powers and duties as Terms of Reference for the Finance Committee and/or the Board may specify from time to time.

33.2 The powers and duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board or president requires of them. The Board may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer.

34. Vacancy in Office

34.1 In the absence of a written agreement to the contrary, the Board may remove, whether for cause or without cause, any officer of the Corporation. Unless so removed, an officer shall hold office until the earlier of:

- (a)** the officer's successor being appointed,
- (b)** the officer's resignation,
- (c)** such officer ceasing to be a director (if a necessary qualification of appointment) or
- (d)** such officer's death.

34.2 If the office of any officer of the Corporation shall be or become vacant, the directors may, by ordinary resolution, appoint a person to fill such vacancy.

NOTICES

35. Method of Giving Any Notice

35.1 Any notice (which term includes any communication or document), other than notice of a meeting of members or a meeting of the board of directors, to be given (which term includes sent, delivered or served) pursuant to the Act, the articles, the by-laws or otherwise to a member, director, officer or member of a committee of the board or to the public accountant shall be sufficiently given:

- (a)** if delivered personally to the person to whom it is to be given or if delivered to such person's address as shown in the records of the Corporation or in the case of notice to a director to the latest address as shown in the last notice that was sent by the Corporation in accordance with section 128 (Notice of directors) or 134 (Notice of change of directors);
- (b)** if mailed to such person at such person's recorded address by prepaid ordinary or air mail;
- (c)** if sent to such person by telephonic, electronic or other communication facility at such person's recorded address for that purpose; or
- (d)** if provided in the form of an electronic document in accordance with Part 17 of the Act.

- 35.2** A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any member, director, officer, public accountant or member of a committee of the board in accordance with any information believed by the secretary to be reliable. The declaration by the secretary that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The signature of any director or officer of the Corporation to any notice or other document to be given by the Corporation may be written, stamped, type-written or printed or partly written, stamped, type-written or printed.

GENERAL PROVISIONS

36. Invalidity of any Provisions of this By-law

- 36.1** The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

37. Omissions and Errors

- 37.1** The accidental omission to give any notice to any member, Director, officer, member of a committee of the Board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the by-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

38. By-laws and Effective Date

- 38.1** Subject to the articles, the board of directors may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of directors until the next meeting of members where it may be confirmed, rejected or amended by the members by ordinary resolution. If the by-law, amendment or repeal is confirmed or confirmed as amended by the members it remains effective in the form in which it was confirmed. The by-law, amendment or repeal ceases to have effect if it is not submitted to the members at the next meeting of members or if it is rejected by the members at the meeting.
- 38.2** This section does not apply to a by-law that requires a special resolution of the members according to subsection 197(1) (fundamental change) of the Act because such by-law amendments or repeals are only effective when confirmed by members.

Certified to be By-Law No. 1 of the Corporation, as enacted by the members of the Corporation by special resolution on the 27th day of January, 2022.

Dated as of the 12th day of February, 2022

Original Signed by Ron Heesen, President

CANADA NOT-FOR-PROFIT CORPORATIONS ACT (NFP ACT) FORM 4031

Articles of Continuance (transition)

To be used only for a continuance from the Canada Corporations Act, Part II.

1 - Current name of the corporation

The Perth and District Community Foundation

2 - If a change of name is requested, indicate proposed corporate name

3 - Corporation number

31912101912

4 - The province or territory in Canada where the registered office is situated

Ontario

5 - Minimum and maximum number of directors

Maximum number = 12

Minimum number

6 - Statement of the purpose of the corporation

Refer Appendix 1 attached

7 - Restrictions on the activities that the corporation may carry on, if any

None

8 - The classes, or regional or other groups, of members that the corporation is authorized to establish

The Corporation is authorized to establish one class of members. Each member shall be entitled to receive notice of, attend, and vote at all meetings of members of the Corporation.

9 - Statement regarding the distribution of property remaining on liquidation

All property remaining on liquidation of the Corporation, after discharge of liabilities, shall be distributed to one or more qualified donors within the meaning of the Income Tax Act.

CHARITY FILING REQUIREMENTS

It is the responsibility of the Board to ensure that the Executive Director regularly reviews all required filings, current Forms, and changes to Industry Canada and Canada Revenue Agency requirements.

INDUSTRY CANADA REQUIREMENTS

Corporation Number: 392092-5

Business Number: 874462112RC0001

Annual Form 3 due between November 26th and January 25th annually.

The corporation is required to file an annual return in the 60 days following its anniversary date (i.e. between November 26 and January 25).

Audited Financial Statements must go to the Board for approval in time to be filed with Industry Canada at least 21 days prior to AGM:

<http://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs05010.html>

e-mail electronically to corporationscanada@ic.gc.ca

A soliciting corporation must provide its annual financial statements to Corporations Canada not less than 21 days before the annual general meeting of members or without delay in the event that the corporation's members have signed a resolution approving the statements, instead of holding a meeting. In any event, a corporation must send financial statements to Corporations Canada within 15 months from the preceding annual meeting (by which time an annual meeting is required to be held under the NFP Act or a resolution in writing signed in place of a meeting), but not later than 6 months after the end of the corporation's preceding financial year.

REPORT CHANGES REGARDING DIRECTORS

Form 4006: to be completed annually within 15 days of when new Directors take office. File through the Online Filing Centre or send completed Form 4006 – Changes Regarding Directors to Corporations Canada by email, fax or mail.

Report any changes regarding directors. In addition to the election or appointment of new Directors, these changes include:

- the resignation or removal of a director; and
- any change in the address of a current director.

Form 4003 Address change for Charity if applicable

Immediately to effect the change

File through the Online Filing Centre or send completed Form 4003 – Change of Registered Office Address to Corporations Canada by email, fax or mail

CRA REPORTING REQUIREMENTS

Changes to Directors -Annual Letter updating corporate information plus Minutes of AGM to be sent together with letter plus list of new Directors with phone numbers.

Additional reporting letter to CRA any time Directors are added or changed updating the year end information reported in the T1235. Changes can happen between filings, e.g. at AGM. To add a new director, during a fiscal period, or to update the information currently on file, CRA need a written request-see full details including mailing address and fax # at

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/chngs/drctr-trst-eng.html>

Notify CRA of changes to the charity's authorized representative-currently the ED. Full details of the process located at

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/chngs/thrzdprsnsttv-eng.html>

CRA Annual Filing

T3010- Prepared by Accounting Firm, referred to Board for approval and filed within six months of December 31st-year end- T3010 is accompanied by:

T1235 Officers and Directors Worksheet

T1236 Qualified Donee Worksheet

Fillable forms are regularly updated and are available on CRA website at

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/formspubs/menu-eng.html>

Guidelines for making other changes are available and filing requirements as they occur are available at:

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/chngs/menu-eng.html>

Examples: Changing a charity's legal name; Changing a charity's legal status; Changing a charity's activities; Changing a charity's address, phone number, and contact person; Changing a charity's director, trustee, and like official information Amalgamations or mergers

POLICIES

POLICY REVIEW SCHEDULE

POLICY	REVIEW YEAR									
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
CONFIDENTIALITY POLICY										
CONFLICT OF INTEREST POLICY										
DONOR RECOGNITION AND STEWARDSHIP POLICY (2 YR)										
ENDOWMENT FUND DISBURSEMENT POLICY										
EXPENSE REIMBURSEMENT POLICY		X			X			X		
FINANCIAL ACCOUNTABILITY POLICY STATEMENT										
FINANCIAL MANAGEMENT POLICY										
FUNDRAISING POLICY		X			X			X		
GIFT ACCEPTANCE POLICY										
GRANTING POLICY										
INVESTMENT POLICY		X			X			X		
PRIVACY POLICY			X			X			X	
PROCUREMENT POLICY			X			X			X	
SERVICE FEES POLICY		X			X					
TAX RECEIPTING ACCEPTABLE BENEFITS POLICY										
THIRD PARTY FUNDRAISING EVENTS POLICY		X			X			X		

CONFIDENTIALITY POLICY

This policy was approved at the November 1, 2016 Board meeting.

Review date: November 1, 2019

Statement of Policy:

Board members and other volunteers and staff are required at all times to keep confidential:

- a donor's name, level of gift and personal circumstances that might identify a donor, if asked to do so by the donor or by motion of the Board;
- all matters dealt with at Board meetings or Board Committee Meetings until such time as the information is made public otherwise than as a result of a breach of this obligation;
- all information in grant applications about the applicants that is not otherwise publicly available; and
- all matters relating to personnel.

A Board member or other volunteer may be asked to resign from their position if they fail to comply with this policy.

Implementation:

Each Board member and other volunteer will sign and date a statement indicating his or her agreement to comply with this policy.

(signature)

(print name)

CONFLICT OF INTEREST POLICY

This policy was approved at the February 6, 2014 Board meeting.

Review Date: February 6, 2017

Preamble: It is important that our practices and decisions are without suspicion or influence and avoid any appearance of impropriety, which may raise concerns within or outside the organization. The policy is designed to ensure an organization's reputation for integrity of decisions. As a result, this policy addresses conflicts of interest, real or perceived.

This policy will not address the issue of what constitutes an actual conflict of interest as a matter of law.

As a result, the policy is directed towards the sources of most potential conflict. These include conflicts arising as a result of affiliation with:

1. An organization which has, or is negotiating, a business relationship. A conflict of interest arises in a situation in which:
 - The Foundation has business or financial dealings with a Board member, volunteer¹ or staff member individually or with a corporation, partnership or other business enterprise of which the Board member, volunteer or staff member, or a member of their family,² is an officer, director, partner or substantial stockholder:
 - The primary purpose of a grant from the Foundation to a qualified grantee is made to support a transaction with such a business enterprise.
2. An organization seeking funding or other support
 - A conflict of interest arises in a situation in which the Foundation is considering or makes a grant to a qualified donee of which the community Foundation Board member, volunteer or staff member, or a member of their family, is an officer, director, trustee or employee of the applicant organization.
 - This also includes situations where Board members, volunteers or staff members have an unofficial role with the applicant organization as a significant donee, volunteer, advocate or advisor.

Implementation: This policy will be conveyed to staff and all new Board and committee members.

The first agenda item of Board and committee meetings will be a declaration of conflict of interest.

Members, including staff, will be asked to verbally declare conflict of interest and to identify which agenda items that are in conflict. The minutes of the meeting will reflect declared conflicts. If the member is unsure, they will ask for clarification and the chair will determine if there is a real or perceived conflict.

When there is a conflict, the member will refrain from all discussion pertinent to the subject and abstain from voting. When there is a conflict of interest for a member of the Granting sub-committee of the Charities Liaison Committee, the committee member will temporarily remove themselves from the discussion and assessment of any and/or all grants in respect of which they have a conflict.

It is the responsibility of Board and committee members to raise concerns they may have regarding conflict of interest of a member who is perceived to be in conflict. If there are still concerns, it is their responsibility to convey these concerns to the chair.

¹ Volunteer includes any person serving voluntarily on a committee with Board-delegated powers or in any other capacity that might give rise to a conflict of interest.

² Family includes spouse or partner, children, grandchildren, parents or grandparents, siblings (and their immediate families), as well as any member of the extended family living under the same roof.

Board, volunteers and staff are prohibited from accepting personal gifts from current and prospective providers of services or goods and grantees with the exception of occasional hospitality or other benefits of a nominal value.

Board members, volunteers and staff are prohibited from using privileged information gained in their role for personal or professional gain.

Monitoring: This policy will be reviewed every three years.

DONOR RECOGNITION AND STEWARDSHIP POLICY

This policy was approved at the May 2, 2017 Board meeting.

Donations:

- The Foundation will publicly acknowledge all donations unless the donor wishes to remain anonymous.
- The Foundation does not publish the amount of donations, except in circumstances approved in advance by the donor.
- Donations will be receipted within 30 days of donation. A thank you letter will accompany all donation receipts.
- Unless otherwise stipulated by the donor every Donor's name will be published in the next available issue of the newsletter, in the next issue of the Foundation's annual report and on the Foundation's website.
- The Foundation's Board of Directors will review the list of donors on an annual basis with a view to determining what, if any, additional measures will be taken to acknowledge donors.

Funds:

- Donors creating funds will also receive a thank you call from a member of the Board of Directors. Unless otherwise stipulated by the donor, the name of each new fund will be published in the first newsletter following the fund's creation and announced at the next annual general meeting.
- Funds and fund balances are listed in the Foundation's Annual Report. Donors creating funds may request that the actual fund names not be used.
- Donors creating funds will receive copies of the Foundation's annual report (and audited financial statements).
- Donors creating funds will receive an annual fund statement. Donors will be invited to contact the Executive Director for a meeting if they desire.
- The funds statement for designated or advised funds will be hand delivered whenever possible by a member of the Board of Directors or the Executive Director.

Privacy and Disclosure: The privacy of donors will be respected. The Foundation will not share its donor list with other organizations. Donor records maintained by the Foundation will be kept confidential to the extent possible.

Monitoring: This policy will be reviewed every two years.

ENDOWMENT FUND DISBURSEMENT POLICY

This policy was approved at the February 7, 2017 Board meeting.

Policy Review Date: 2020

Preamble: This policy deals with the distribution of monies from endowment funds. The investment earnings of endowment funds are used to cover charitable grants and service fees. The actual amount

disbursed in any particular year may be an amount that is less than or greater than the actual investment earnings for that year. However, the objectives over the long term are:

1. to ensure that the capital of the endowed funds is held permanently (or, so long as indicated by the creator of the fund at the time the fund is created);
2. the funds experience some growth due to earnings;
3. there is a consistent level of charitable grants over the long term; and
4. the disbursement quota requirement under the Income Tax Act is met (currently set at 3.5%)

Statement:

1. **Allocation of Disbursement Quota:** PDCF will endeavour to ensure, so far as possible, that, over time, the disbursement quota is allocated equitably across all individual funds.
2. **Minimum Fund Balances:** There is no minimum contribution to establish a fund with PDCF. However, all funds must achieve a minimum fund balance over a specified period after the fund is created. If a fund fails to achieve the minimum balance in the specified period, the balance of the fund will be added to the unrestricted endowment fund and the fund collapsed. For donor advised funds i.e. funds where the creator of the fund (or their designate) decides every year who benefits from the fund and how much they get, the minimum balance is \$25000. in 10 years; for donor designated funds, where the creator of the fund (or their designate) decides at the time of setting up the fund who benefits from the fund and, optionally, how much they get, the minimum balance is \$10000. in 10 years; for all other funds the minimum balance is \$5000. in 5 years.
3. **Grant Amounts**
 - 3.1 It is PDCF's intention to grant amounts out of all funds every year unless otherwise stated by the creator of the fund at the time the fund is created.
 - 3.2 PDCF will endeavour to assist the advisor of a donor advised fund to carry out the charitable intentions stated in the document creating the fund. For donor directed funds, PDCF will honour the intentions of the creator of the fund stated in the document creating the fund.
 - 3.3 The document creating any fund may state a specific amount or amounts to be granted out of the fund in any given year. These funds are referred to below as "Stated Grant Funds."
 - 3.4 The total amount granted out of all funds in a particular year, other than Stated Grant Funds, will be determined by the Board on the advice of the Finance, Audit and Investment Committee. In determining this amount, the Board will take into account the average earnings on the pooled invested endowment funds over the previous 5 financial years and the objectives stated in the preamble of this policy.
 - 3.5 The amount granted out of a fund, other than a Stated Grant Fund, in a particular year will equal the fund's proportionate share of the total amount granted out of all such funds in that year. This share will be calculated by dividing the average of the ending monthly market values of the fund during the preceding two financial years by the average of the ending monthly market values of the total of all such funds in those years.
 - 3.6 Until there is a minimum balance of \$25000. in a donor advised fund, the amount and object of grants from the fund will be determined by PDCF in its sole discretion.

4. Adjustments of Fund Balances

- 4.1 At the end of every financial year, every fund, regardless of the balance in the fund, will be:
- (a) credited with the fund's proportionate share of the earnings or losses (which are net of investment management fees) accrued on the pooled invested endowed funds during that year; and then
 - (b) charged with the fund's proportionate share of the Foundation's 1% management fee for that year.
- 4.2 A fund's share of the earnings, losses and management fee will be calculated by dividing the average of the ending monthly market values of the fund during the year by the average of the ending monthly market values of the total pooled invested endowment funds in the year.
- 4.3 Any grant made out of a fund will be deducted from the fund balance when the grant is made.
- 4.4 In any year where the amount available for granting from a particular field of interest fund is more than called for from that fund, only the amount called for will be deducted from the fund's balance.

Monitoring: This policy will be reviewed every three years.

EXPENSE DISBURSEMENT POLICY

This policy was approved/reaffirmed at the January 15, 2019 Board meeting.

Next Review Date: January 2022

Volunteers and staff will be reimbursed for pre-approved expenses incurred in conducting the business of the Foundation. The Board President, prior to the expense being incurred, must approve request for reimbursement. For all approved expenses, receipts must accompany the request for reimbursement.

Reimbursement rates to be consistent with Canada Revenue Agency rates and updated yearly.

Monitoring: This policy will be reviewed every three years.

FINANCIAL ACCOUNTABILITY POLICY STATEMENT

Updated August 28, 2017

Next Review Date: August 2020

The foundation's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.

All donations will be used to support the charitable purposes of the foundation, as specified in the governing documents.

All donations will be used for the purposes for which they were given. If an alternate use for a donation is necessary due to program or organizational change, this use will be discussed with the donor or the donor's legal designate. If no agreement can be reached with the donor or donor's legal designate, the unexpended part of the donation will be returned to the donor. If the donor is deceased and the foundation is unable to contact a legal designate, the donation will be used in a manner that is consistent with the donor's original intent.

The annual financial statements will be prepared in accordance with Canadian standards for not-for-profit organizations, in all material respects.

The annual report will disclose the total amount of donations separately from other revenue sources and will provide a relevant breakdown of expenditures, including salaries and other overhead items.

The foundation will comply with section 149.1 of the Income Tax Act (Canada), which requires that all charities are required to expend 3.5% of the value of endowed assets in support of charitable activities. When this is not possible, any excess gained in previous years will be used to meet this requirement. If this is not possible, the foundation will apply to the Canada Revenue Agency to seek relief.

Monitoring: This policy will be reviewed every three years.

FINANCIAL MANAGEMENT POLICY

Board Acceptance: This policy was approved at the March 7, 2017 Board meeting.

Review Date: September, 2020

Preamble: It is the Board's responsibility to monitor the financial management of the Foundation. The Board must exercise due diligence to protect the assets of the Foundation.

Signing Officers: The signing officers of the Foundation are any two of the Executive Director, President, Vice-President, Secretary and Treasurer.

Changing Signing Officers: The individuals with signing authority are automatically changed upon appointment to their position. A new signature card is filed with the financial institution.

Accounts Payable: For consistency of information and control, two signatures are required for all legal documents and for all financial matters. Best efforts will be made to pay accounts within 30 days of invoice date.

Payroll Cheques: If a cheque is issued, for consistency in information and control, two signatures are required. Automated payroll is acceptable with the one-time approval of two signing officers.

Monthly Accounting: The monthly bank reconciliation should be completed within two weeks of receiving the bank statements and the monthly accounting will be completed by the 30th of the following month. Cheques, deposits, donations and journal entries will be posted monthly to the General Ledger.

Quarterly Financial Statements: Summarized year-to-date financial statements (unaudited) will be reviewed and presented to the Board on a quarterly basis by the Treasurer.

Banking: On receipt, all cheques will be stamped "For Deposit only to the account of Perth and District Community Foundation". Cheques will be deposited to the Foundation's account within five business days of receipt.

Petty Cash: Petty cash reimbursement will be made as required. All receipts must be itemized and allocated to the relevant general ledger account.

Authorization limit: The Executive Director has the authorization to purchase or order items within the Foundation's approved annual budget for any individual amount under \$5,000. Non-budgeted items in excess of \$1,000 must be submitted to the Board for approval.

Staff and Volunteer Travel Reimbursement: Volunteers and staff will be reimbursed for pre-approved expenses incurred in conducting the business of the Foundation as per the Employee Expense policy. For all approved expenses, receipts must accompany the request for reimbursement. The Executive Director will be responsible to annually review the mileage reimbursement and make recommendations to the Board for any changes.

Government Payroll / GST Remittances: The President or Executive Director should report to the Board that the remittances for the previous month have been remitted. This should be recorded in the minutes of the Board meeting.

Year End Audit: The Foundation's year-end is December 31st. All materials required for the year-end audit will be completed by February 28th for presentation to the Foundation's auditor. Draft audited statements will be presented to the Finance and Investment and Audit Committee annually for review.

Donation Receipts: Receipts will be provided on a timely basis for all donations. The Foundation's Gift Acceptance Policy outlines criteria for donations. Receipts will be made to CRA standards and must be signed by a designated signing officer.

Budget: A budget will be prepared on an annual basis and approved by the Board. The draft budget will be presented to the Board no later than the second board meeting of the fiscal year.

Insurance: The Executive Director will report to the Board annually on the Foundation's insurance coverage and any changes in the Foundation's activities that may impact the coverage.

Annual Meeting: Audited financial statements will be presented to the Members annually. At that time, auditors will be appointed for the following year.

Monitoring: This policy will be reviewed every three years.

FUNDRAISING POLICY

This policy was approved/reaffirmed at the January 15, 2019 Board meeting.

Next Review Date: January 2022

Preamble: The Perth & District Community Foundation engages in fundraising efforts to support its operations and is open to contracting with third parties to engage in fundraising activities on its behalf to further its mission.

Fundraising: All fundraising activities conducted by or on behalf of the foundation must:

- Be approved by the board of the Foundation,
- Be truthful,
- Accurately describe the organization's activities,
- Disclose the organization's name,
- Disclose the purpose for which funds are requested,
- Disclose the organization's policy with respect to issuing Official Income Tax receipts including any policy on minimum amounts for which a receipt will be issued; and,
- Disclose, upon request, whether the individual or entity seeking donations is a volunteer, an employee or contracted third party.

The foundation does not make claims that cannot be upheld or are misleading.

The foundation does not exploit our beneficiaries. We are sensitive in describing those we serve (whether using graphics, images or text) and fairly represent their needs and how these needs will be addressed.

Any fundraising materials distributed by or on behalf of the foundation must include our address or other contact information. The foundation does not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.

Anyone seeking or receiving funds, on behalf of the foundation, whether a volunteer, employee or contracted third party must:

- Act with fairness, integrity, and in accordance with all applicable laws;
- Cease contacting a prospective donor who states that they do not wish to be contacted;
- Disclose immediately to the organization any actual or apparent conflict of interest or loyalty; and,
- Not accept donations for purposes that are inconsistent with the organization's mission.

The board regularly reviews the cost-effectiveness of the organization's fundraising activities. No more will be spent on administration and fundraising than is required to ensure effective management and resource development.

Monitoring: This policy will be reviewed every three years.

GIFT ACCEPTANCE POLICY

The purpose of this policy is to provide guidelines for the types of outright gifts (i.e. cash, publicly traded securities) and deferred gifts (i.e. bequests, life insurance) that will be accepted by the foundation.

Consistency with foundation mission: Gifts must be consistent with the overall mission and strategic intent of the foundation, all applicable statutory provisions, and must not compromise the foundation's integrity. The foundation may, in its discretion, refuse a gift on these grounds.

Clarity of intent: The foundation shall not solicit or accept a gift from a donor unless it is satisfied that the donor has a bona fide charitable intention and has an accurate understanding of the consequences of the donation, the work of the foundation, and the uses to which the gift will be put.

Seeking independent advice: Persons acting on behalf of the foundation shall encourage potential donors to consult independent legal and tax professionals to ensure that donors receive a full and accurate explanation of the nature and consequences of their gifts.

Undue influence: Persons acting on behalf of the foundation shall inform, serve, guide or otherwise assist donors who wish to support the foundation's activities, but never under any circumstances are they to pressure or unduly persuade.

Parameters of gifts: Foundation volunteers, friends and staff members are authorized to encourage donors to make gifts to the foundation within the parameters of the Gift Acceptance Policy.

Authority to negotiate: The Executive Director (or Board Chair, Treasurer, or senior Fund Development staff) is authorized to negotiate gift agreements with prospective donors and their professional advisors in accordance with the guidelines set for in this Policy.

Authority to accept: Outright gifts of cash, publicly traded securities, and life insurance do not require approval by the Board of Directors unless there are unusual restrictions or circumstances involved.

Gifts Accepted: The foundation routinely accepts only property that is readily marketable at reasonable cost. That refers to cash, cash equivalents (including deposit instruments of a government or financial institution in Canada), publicly traded securities, policies of life insurance, bequests or any other property that the Foundation has identified within its investment policies.

Acceptance of Other Forms of Property: The foundation recognizes that donors will occasionally wish to give property that is not readily marketable, such as real estate, art, jewelry, private corporation shares or residuary interests in trusts. While the foundation is generally pleased to accept gifts, it has to be careful to evaluate whether there may be "hidden costs" in accepting such property. The Board will be consulted

on all gifts of property prior to responding to donor. The Board may want to retain the advice of tax and/or legal professionals when considering these types of gifts.

Related Costs: Gift-related costs such as legal fees, appraisals, real estate commissions and taxes relating to acceptance, maintenance, management or re-sale of a gift of property will normally be the responsibility of the donor unless the foundation, upon prior agreement, agrees to assume responsibility for any portions of these items. There may be instances that the foundation will cover these costs. In these instances, Board approval is required.

Gifts Requiring Board Approval: The following gifts must be reviewed and approved by the Board of Directors: gifts of real or tangible property, gift of a charitable remainder trust and gifts of a residual interest. Before acceptance and approval, relevant information about the gift shall be ascertained, including a copy of any appraisal secured by the donor. The foundation reserves the right to obtain its own appraisal for gifts of real or tangible property or other property whose value is not readily ascertainable.

Gifts Not Accepted: The foundation cannot offer charitable annuities or any other gift creating a liability. It reserves the right to decline a gift based on:

- Lack of congruency with the foundation's mission;
- Desire of the donor to exert unacceptable conditions or controls over disbursement of the net income from the gift;
- Cost of ownership implications related to administration time, management and marketability of the gift;
- Unacceptable risks;
- Gifts that are illegal; and,
- Other factors agreed to by the Board of Directors

Disposition of Gift: The foundation does not make any representation that by accepting a gift it will retain the property or employ the donated property for the same purposes as the donor used it. For example, absent an agreement, if the foundation acquires a residence as a gift, it will not retain it as an office or retreat, but will sell it and invest the proceeds in accordance with its investment policy.

Deed of Gift: The foundation works with donors to develop agreements with respect to the name, nature, limits and use of their gifts at the time a gift is made. These agreements, known as a deed of gift, specify the type of fund created (permanent endowment, flow through fund or non-permanent endowment). A deed will clearly identify that it is the responsibility of the Board of Directors to approve all disbursements of net income from endowed funds. These agreements will be developed where the donor is giving specific recommendations to the foundation as to the distribution of the earnings generated by their gift. All deeds requiring execution by the foundation shall first be reviewed and approved as to form and content by the foundation's legal counsel. Where substantially the same deed is used repeatedly, only the template needs to be approved. All deeds must be reviewed and approved by the Board of Directors.

Charitable Tax Receipt: The foundation shall issue a charitable tax receipt within 30 days of receipt of the gift in alignment with the foundation's Donation Recording and Receipting Policy. For gifts of shares, a tax receipt shall be issued for the earlier of either the trading price or the closing price on the day the foundation's broker receives the shares, assuming liquidity.

Benefit to Donor: The legal nature of a charitable gift is that a donor cannot expect material consideration (i.e. financial benefits or opportunities) to flow from a gift.

Donor-Advised Funds: The Income Tax Act (Canada) imposes limits on a donor's capacity to impose restrictions on charitable gifts. A donor may, however, at the time the gift is made and even subsequently,

by agreement with the foundation, place limits on the uses to which a gift may be put. Further, the donor or the donor's designated representatives may advise the board of the foundation on the application of the earnings of their gift and the board shall generally consider and respect such advice. Beyond that a donor cannot legally restrict the foundation.

Flow-Through Funds: The principal mission of the foundation is to raise, administer and distribute earnings from funds that are held on a permanent or endowed basis. As a service to donors the Foundation is prepared to accept from time to time the receipt and disbursement of gifts that are not intended to be held as endowment funds. The foundation exercises broad discretion as to whether or not to accept such gifts and may charge an administrative fee.

Preservation of Donor's Intention: Where, by prior agreement, the Board agrees to receive the advice of donors on the distribution of grants, the foundation shall not seek to pass judgment on the value or merit of the donor's proposed application so long as the income is applied according to legal provisions to a charitable purpose. Should the foundation cease to exist or become incapable of administering a fund to fulfill a donor's purpose, the foundation shall employ its best possible efforts to ensure continued application of the fund to the purpose originally contemplated by the donor.

Administration Policies: The Foundation adopts policies that regulate administrative charges on its endowment funds, manage the investment of the funds, determine the appropriate portion of funds to distribute for charitable granting purposes or retain as capital to protect against erosion by inflation. Except for more precise agreement with the donor overriding these general policies, the foundation shall apply its policies equitably to all funds under its control and may amend such policies from time to time.

Geographic Area of Focus: The primary, but not exclusive, focus of the foundation's activities is within the geographic area encompassed by the political boundaries of (insert name of municipality, region, province), as at (insert date of incorporation). It may refer a donor to another community foundation or charitable organization if it perceives that the donor will be better served by such organizations.

Acting as a trustee: The Foundation will not perform the role of estate trustee.

Guidelines for specific gifts:

a. Cash

Gifts of cash and cash equivalents.

b. Publicly-Traded Securities

Gifts of marketable publicly traded securities shall be scrutinized and accepted by the foundation's investment manager. These securities shall be sold immediately upon receipt and converted to cash and processed based on the foundation's cash management policy.

c. Gifts of property including real estate, art, jewelry etc.

Gifts of property or real estate may be made in various ways: outright or residual interest in it.

Guidelines:

- Donors shall provide qualified appraisals of proposed gifted property.
- The foundation will obtain its own independent appraisal. The foundation may, at its discretion, obtain a third independent appraisal, and, in such cases, issue a receipt based on the foundation's own appraisal.
- The foundation shall satisfy itself that the donor has clear title to the property.

- The foundation shall review all pertinent factors, including in the case of real property, zoning restrictions, marketability, prior land use, current use and cash flow, to ascertain that acceptance of the gift would be in the best interests of the foundation.
- If the real estate possibly contains toxic wastes, the donor shall secure an environmental audit and provide the results to the Board of Directors. No property containing toxic wastes shall be accepted prior to removal and/or indemnification of the Foundation against all present and future liabilities.

d. Bequests

A donor who advises the foundation, in confidence, of a proposed testamentary gift to the foundation, shall be asked to provide, if possible, a copy of that section of the Will naming the foundation. The donor may also wish to execute an agreement with the foundation directing the charitable use of the proposed testamentary gift. The foundation will not serve as executor of a donor's will.

e. Gifts of life insurance

There are various methods by which a life insurance policy may be contributed to the foundation.

A donor may:

- Commence a life insurance policy of which the foundation is the owner and beneficiary.
- Assign irrevocably a paid-up policy to the foundation.
- Assign irrevocably a life insurance policy on which premiums remain to be paid and a charitable tax receipt shall be issued for premium amounts.
- Name the foundation as a primary or successor beneficiary of the proceeds.
- When ownership is irrevocably assigned to the foundation, the donor is entitled to a gift receipt for the net cash surrender value (if any) and for any premiums subsequently paid.

f. Gift of a residual interest

This type of gift refers to an arrangement under which a property interest is conveyed to the foundation, but the donor retains use of the property, or income from the property, for life or a specified term of years. For example, the donor might give a residual interest in a personal residence and continue living there or a residual interest in a painting and continue to display it. The owner is entitled to a charitable tax receipt for the present value of the residual interest.

Guidelines: The donor shall continue to be responsible for real estate taxes, insurance, utilities and maintenance after transferring title to the property unless the foundation, upon prior approval of the Board of Directors, agrees to assume responsibility for any of these items. The foundation is entitled to require that the donor provide proof of payment of those expenses for which the donor is responsible.

The foundation reserves the right to inspect the property from time to time to assure that its interest is properly safeguarded.

g. Non-designated gifts

From time to time the foundation receives donations that are not designated for a particular endowment fund. Canada Revenue Agency regulations state that donations to be held in perpetuity are required to have a direction from the donor stating this fact. The following policy governs the handling of these types of donations.

Guidelines: These donations will be placed in the Community Fund.

Monitoring: This policy will be reviewed every three years, upon hiring staff or upon changes to the Income Tax Act.

GRANTING POLICY STATEMENT

This policy was approved by the Board on June 6, 2017

Next Review Date: October 2022

The Foundation is engaged in community capacity building. Through the projects we fund, we support the health and vitality of our community. In so doing, we fulfill our obligation to our donors and the Foundation's mission.

Annually the Board makes funds available for the granting program.

To be eligible for a grant, an applicant must be a registered charity or other entity such as municipality or school recognized as eligible by the Canada Revenue Agency. Grants are given in accordance with our mission, priorities indicated by our Vital Signs data and annual monies available from the endowment funds as per the Endowment Fund Distribution Policy. Within those parameters, preference will be given to projects that promote volunteerism, build capacity and are sustainable. Grants are not typically given for capital funding projects or applications from other funding organizations. All grants must adhere to our Declaration of Conflict of Interest.

Monitoring: This policy will be reviewed every three years or upon relevant changes to the Income Tax Act.

INVESTMENT POLICY

Approved: June 18 2019.

Review date: June 2022.

Preamble: The Foundation is designed to operate in perpetuity, wise stewardship of the funds entrusted to it is essential to the Foundation's mission. To ensure it's accountability to donors, as well as to provide guidance for the prudent and effective management of the Foundation's investment assets, PDCF's Board of Directors has adopted the following Investment Policy.

Investment Philosophy: The long-term goal of the investment policy is to generate sufficient returns, consistent with prudent and professional portfolio management, to allow steady and reliable granting, cover the costs of the Foundation's operations, and to preserve the endowed capital.

Statement: For Endowed Funds: Unrestricted, Charitable Agency, Drawdown, Designated, Donor Advised and Field of Interest on a 3 year rolling average:

1. When more than 4.5% has been earned on investments, the amount in excess of 4.5%, up to 2 % will be returned to the endowments as capital.
2. When more than 6.5% has been earned on investments, the amount in excess of 6.5% has been earned on investments; the amount in excess of 6.5% up to 1% will be available for the Community Builders Fund. The annually contribution to the Community Builders Fund shall not exceed one year of grant funding.
3. When more than 6.5% has been earned on investments, the amount in excess of 7.5%, the remaining amounts will be allocated at the discretion of the PDCF Board.

PRIVACY POLICY

This policy was approved/reaffirmed at the February 4th 2020 Board meeting.

Next Policy Review Date: January 2023

Statement of Policy: Perth and District Community Foundation (PDCF) is committed to protecting the privacy of the personal information of its donors, contractors, employees, grant applicants and other stakeholders.

PDCF values the trust of those we deal with and of the public and recognizes that maintaining this trust requires that we be transparent and accountable in how we treat the information that is shared with us.

During the course of our work PDCF may gather and use personal information. Anyone from whom we collect such information has a right to expect that it will be carefully protected. PDCF's privacy practices are designed to provide this assurance.

PDCF reports to the public the name and type of each of our individual funds. Anonymity is available if requested. We also, with full consent, publish specific details and stories about our donors and funds.

Personal information is any information that can be used to distinguish, identify or contact a specific individual, such as a person's name, address, birth date, email address and phone number. This information can include opinions, beliefs or facts about or related to, the individual. Business contact information and publicly available information such as, for example, names, addresses and telephone numbers, are not considered personal information. Where an individual uses their home information as business contact information, it may be considered that the contact information is business contact information and not subject to protection.

Implementation: Personal information will only be collected and used for the work of PDCF and only for purposes that a reasonable person would consider appropriate in light of the circumstances.

Personal information collected by PDCF will be kept in confidence unless the owner of the information consents to its disclosure. Consent can be expressed electronically, in writing, or implied.

PDCF Board members, staff and contractors are authorized to access personal information based only on their need to deal with the information for the reason(s) for which it was obtained.

Personal information will not be rented, sold or shared with any third party unless the owner of the information consents. Consent can be expressed electronically, in writing, or implied.

Personal information may be retained by PDCF permanently.

Upon request an individual PDCF will inform the individual of the existence, use and disclosure of their information, will give the individual access to the information and PDCF will correct any errors in the information.

PDCF uses appropriate security software to ensure privacy and to protect personal information we may receive online.

PDCF does not disclose information about individual's visits to www.pdcf.ca. The information we collect is used to improve and enhance the content and services of the website. Nor do we provide the information given to us on our website to others.

Questions, concerns or complaints relating to the accuracy of personal information held by PDCF, PDCF's privacy practices or the treatment of personal information, should be e-mailed to: info@pdcf.ca and include "Privacy" in the subject line. Alternately, you can phone us at 613-326-0295, or inquiries can be sent in writing to:

Victoria Gibb-Carsley
Executive Director
Perth & District Community Foundation
33 Lewis Street, Perth, Ontario
K7H 2R4

Monitoring: This policy will be reviewed every three years

PROCUREMENT POLICY

Board Acceptance: This policy was approved at the March 2020 Board meeting.

Review Date: 2023

In buying or commissioning goods and services we aspire to implement good practice, operate fairly and transparently, obtain best value for money and procure ethically, taking into account environmental concerns.

Our key aims of the procurement policy and process are whenever possible:

- **Local** – goods and services including food should be procured from our catchment area when possible.
- **Ethical impact** – suppliers must consider environmental impacts and aim to minimize adverse effects. We will procure Fairtrade or sustainably sourced products when possible but without compromising competition and within budget constraints.
- **Value for money** – the best value for money is achieved.
- **Competition** – procurement should be through open competition unless there are exceptional circumstances.
- **Payment on time** – suppliers must be paid on time in accordance with contractual arrangements.
- **Ethical standards** – procurement must be undertaken to highest ethical standards and fairness to suppliers.
- **Legal aspects** – contracts must be in writing and be fair and non-discriminatory.

Policy: Purchasing needs arise in a variety of contexts. In some cases, Directors and/or staff with a purchasing need may wish to engage prospective suppliers in preliminary discussions. In other cases, Board members may ask the Executive Director to deal with prospective suppliers. In no case should a Board member commit the Foundation to a purchase without involving the President and the Executive Director.

- All buying, including commitments to buy, must be reviewed by the Executive Director.
- The Executive Director has the authorization to purchase or order items within the Foundation's approved annual budget for any individual amount under \$5,000. Non budgeted items in excess of \$300 and budgeted items over \$5,000 must be submitted to the Board of Directors for approval.
- Approved purchasing processes must be used in every case, to ensure that the supplier is selected objectively.
- For purchases in excess of \$5,000 contracts or purchase agreements will be used wherever possible to ensure that the Foundation's interests are fully protected and purchasing initiatives are appropriately implemented.
- Only the President or Vice President is authorized to sign contracts or purchase agreements on behalf of the Foundation.

Procedures: The Chair of the Finance Committee is the designated senior Director accountable for compliance with this policy and has the authority to ensure compliance throughout the Foundation.

Purchase Orders, Request for Quotes and Contracts

- The Executive Director place orders for the regular purchases of supplies and equipment for the Foundations processes and programs.
- The Executive Director ensures that the goods ordered are received.
- Invoices received will be authorized by the Executive Director.
- Where applicable, at least every 5 years, the Executive Director will request quotes from three firms for direct services including auditors, insurance brokers and maintenance services.
- Matters pertaining to current contracts and tenders are confidential except information exchanged during a formal public process.

- Contracts must be in writing and include, at minimum, a clear description of the goods and services to be rendered, pricing, procedures for payment and a termination clause.
- All long term contracts of 5 years or more or those over \$150,000 in contractual value will be signed by the President or Vice-President.

Petty Cash Management

- Petty Cash Funds are intended to cover the cost of small expenses and may be set up for any team or program. The Chair of the Finance Committee or designate authorizes their establishment and any changes to their limits. It is intended to cover the cost of small purchases (e.g. office supplies, meeting expenses).
- When petty cash is disbursed, receipts are collected. The Executive Director or Director entrusted with the petty cash must ensure that all petty cash is reconciled/verified at year end.
- The maximum size of any single transaction through Petty Cash is \$300.

Single or Sole Sourcing

The only exceptions to competitive procurement are in instances when Single or Sole Sourcing is the recommended procurement method. In these instances, the decision and rationale for opting out of a competitive bid process must be clearly documented and follow the approval process.

Contracting the Service of Directors

Remuneration: Directors shall serve without remuneration from the Corporation and shall not directly or indirectly receive financial gain from the position; however, Directors may be reimbursed for reasonable expenses incurred in the performance of their duties.

Conflict with Company Involvement: If Directors are involved in a company bidding on a contract with the organization, they must declare a conflict of interest and remove themselves from discussions leading to a decision pertaining to the contract, other than to provide factual answers to questions posed at a Board meeting. If the company is successful, Directors may not be directly involved in the contract work.

Contractual Bids: Unless Directors have applied for and been granted a leave of absence, Directors may not apply for or bid on any contractual work for the Organization for which they would receive remunerations. Such leave may be granted, on application to the Chair, by the Executive Committee for the Board or by the Board. Directors must resign immediately upon the success of such a bid or contract.

Employment: Unless they have applied for and been granted a leave of absence, Directors may not apply for the Executive Director position of PDCF. Should the Director be the successful candidate they must resign their Director position before accepting the ED Position. Directors may apply for and be considered for all other positions within PDCF without disclosure to the Board. Directors must immediately resign their Director position before accepting any position with PDCF.

Implementation: This policy will be conveyed to staff and all new Board and committee members.

Monitoring: This policy will be reviewed every three years.

SERVICE FEES POLICY

This policy was approved at the November 3rd 2015 Board meeting.

Next Policy Review Date: January 2022

Preamble: The Foundation charges the unrestricted and restricted funds (“the Funds”) under its care with a service fee that is fixed from time to time by the Board of Directors. The fee is used to assist the Community Foundation in meeting the cost of providing services to the funds and to the community.

Fees on All Funds: The service fee on the Funds is charged on an annual basis and is calculated using the monthly average market value of the Funds.

All service fees are calculated each year on December 31st. The fees are allocated amongst individual funds using the same allocation method used to allocated investment council fees.

Fees on Flow Through Gifts: A service fee of 1.5% on a flow through gift is charged at the time of the gift with a minimum fee of \$200. Earnings if any on flow through gifts will accrue to the Community Foundation.

Monitoring: This policy will be reviewed every three years.

THIRD PARTY FUNDRAISING EVENTS POLICY

The purpose of this policy is to ensure all events undertaken in support of the Perth and District Community Foundation (“the Foundation”) are successful, positive experiences that reflect well on the Foundation within the community and do not strain resources of Foundation staff and volunteers. This policy will help external groups that organize third party events have a clear understanding of what is required of them and what assistance will be given by the Foundation in order to run a successful event. The policy will apply to any new Third Party fundraising event which is undertaken subsequent to the date this policy is approved.

Definition: A third party event is a fundraising initiative organized, staged and funded by a community group, club, business or individual(s) who wish to raise money on behalf of a particular registered charity, in this case, the community Foundation.

Requirements for Third Party Fundraising Event:

If an organization, business or individual wishes to hold a fundraiser on behalf of the Foundation it will put in place a written agreement setting out the protocols of the fundraising arrangement. This will include the following:

- i. Nature and timing of the event
- ii. List of confirmed and prospective sponsors
- iii. Identify the key contact person(s) running the event
- iv. Set out an acceptable benefit to the Foundation and agree on how the benefit will be described (e.g. “all proceeds to...”, “in support of...”)
- v. Include estimated revenue and expenses
- vi. Approve the use of the Foundation’s name and/or logo in the promotion of the event.

Other Considerations:

- No fundraising activity will be carried out that would have a detrimental effect on the Perth & District Community Foundation.

- The organizers/sponsors of the fundraising event must obtain their own liability insurance to cover the event. A certificate of insurance will be required naming the Foundation as a co-insured for the duration of the event.
- the Foundation should not be named on any applications for lottery or liquor licenses by a third party, unless it is a sanctioned Foundation event.
- If the event organizer wishes additional assistance from the Foundation, the request should be made in writing and submitted to the Executive Director/CEO for review and consideration.
- All media requests regarding the Foundation and its involvement must be communicated to The Foundation's Executive Director

END — Handbook last updated August 2023.