

## **Poverty Bay Sail and Power Squadron Legacy Fund**

*The Legacy Fund is a segregated fund of Poverty Bay Sail and Power Squadron, hereinafter referred to as PBSPS or the Squadron, with only the income/appreciation to be used to advance the overall mission of the Squadron, including, but not limited to, the promotion of safe boating, education and civic activities. The intent of the fund is to protect and preserve the fund's principle and use only the income it generates. The Internal Revenue Service has determined PBSPS to be a "qualified organization" under section 501(C) (3) of the Internal Revenue Code and thus all contributions to the fund are deductible as a charitable contribution.*

The following provisions shall govern the Legacy Fund:

1. The fund shall be administered during each bridge year by a 5-person Legacy Fund Committee comprised of the Immediate Past Commander (chair), Commander, Treasurer, senior (based on date of joining PBSPS) Member at Large plus a member in good standing appointed by the chair.
2. The committee shall meet at least annually or at the call of the chair.
3. The committee shall have the power to invest and reinvest the fund's assets as it deems appropriate.
4. Donations will be directed to the Treasurer who will deposit them in the fund and provide a receipt to the donor.
5. The committee shall have the power to accept or reject any gift to the fund.
6. The fund shall be invested separately and not commingled with any other assets of PBSPS.
7. If at any time, the total value of the account(s) containing the Legacy Fund assets and its income/appreciation is less than the total of the Legacy Fund principle, no grants will be made from the fund until such time as the values exceed the total contributions.
  - a. The Squadron Treasurer, as a member of the Legacy Committee, will maintain a detailed list of all contributions/donations to the Legacy Fund dating from the inception of the Fund in November 2006.
8. The fund shall be audited annually by PBSPS's auditing committee.
9. A report of the status of the fund and changes in fund balances shall be made available to the membership of PBSPS at least semi-annually.
10. The income/appreciation from the fund may be used for projects, activities and purposes that benefit PBSPS's overall mission. Any active member in good standing of PBSPS may apply to the committee for funds; or make recommendations for grants to other organizations; to accomplish a specific purpose. The Treasurer will be instructed to distribute the funds for the requested project with the approval of a majority of the committee.

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11. The committee is not required to grant any funds during any year.
12. Any proposed change in the purpose or operation of this fund requires the unanimous approval of the committee and the EBoard. In addition such a recommendation must be communicated in writing to the general membership of PBSPS at least 30 days prior to a vote. Any change must be approved by a 2/3 majority of active members present at a subsequent regular meeting.
13. No part of the fund income or principal may be used for the benefit of any individual.
14. Generally accepted principles of accounting shall apply to the fund's activities.
15. Except as provided herein, the fund shall be invested and the income determined according to the Uniform Management of Institutional Funds Act of Washington State.
16. If PBSPS ceases to exist as a Squadron, the Legacy Fund principle and remaining income/appreciation will be transferred to the United States Educational Fund and become a part of the endowment principle and be administered according to the Educational Fund criteria.

Date approved by the Legacy Committee: \_\_March 15, 2016\_\_

Date communicated to the Membership: \_\_March 22, 2016 \_\_

Date approved by the Executive Board: \_\_March 17, 2016 \_\_

Date approved by the Membership: \_\_\_\_\_May 6, 2016\_\_\_\_\_