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**Village Players Endowment Fund Committee By-Laws 2/06/12**

**I. Mission**

To designate a part of The Village Players assets to promote the long-term financial welfare of the organization and to support the mission of The Village Players.

**II. Establishment of the Endowment Fund**

The Endowment Fund was established by an affirmative vote by a majority of the members of The Village Players Board of Directors at a regular Board meeting on August 2, 2011

**III. Endowment Committee**

**A. Purpose**

The Endowment Fund is to be governed by an Endowment Committee which serves as the custodian of the Endowment assets. The major goals for the Committee are to provide for the protection of the "corpus" (body) of the Endowment, to earn interest and/or appreciation of the Endowment Fund and to make disbursements in accordance with the direction of The Village Players. (VP)

**B. Membership**

The Endowment Fund Committee is to consist of 5 members appointed by The Village Players Board of Directors, The Village Players Treasurer shall be a member of the Endowment Committee and is the VP Board representative on the committee. Except in the initial election when shortened terms will enable a staggered rotation of membership, the term of each committee member shall be three years. A vacancy may be filled by the Endowment Fund Committee until the next Annual Meeting.

**C. Operations**

A unanimous vote of a quorum of four members of the Endowment Fund Committee is needed to carry a motion or resolution. The Committee elects its own Chairman and Secretary. The Village Players' Treasurer shall be the committee treasurer. The Endowment Committee provides a report at the Annual Meeting and to the Village Players' Board as requested.

**D. Powers**

The Endowment Committee is empowered to hold, sell, exchange, transfer, convert, invest and in all other respects to manage and control the assets of the Endowment Fund according to its purpose. The Committee shall act in its sole judgment as it seems wise and prudent, without further approvals, subject to the investment policies.

**E. Liability**

Committee members shall not be liable for any losses incurred in the Endowment Fund except to the extent that such losses arise out of willful misconduct or gross negligence.

**F. Conflict of Interest**

No member of the Committee shall engage in any Endowment Fund transactions in which the Committee member has a financial interest.

**IV. Investment Policy**

**A. Policy for Investment.**

The Committee shall invest the assets of the Endowment Fund with the object of earning a reasonable return with low to moderate risk. It is intended that restrictions on a gift by the donor be honored, subject to the Committee's determination of the best interest of the Endowment Fund.

**B. Professional Advice and Counsel.**

The Committee may seek and acquire such professional advice as to investment or legal matters it deems appropriate and may incur other reasonable expenses in the execution of its duties. Such expenses shall be paid for from the Endowment Fund.

**V. Distribution Policy**

In order to protect and preserve the body of the Endowment Fund over the long term, the Committee shall not distribute any income until the body (corpus) reaches \$50,000. After that level is reached, no more than 5% per year of the total market value of the the assets will be distributed provided that the corpus is not reduced to less than \$50,000. If less than 5% is distributed in one year, the Committee may distribute more than 5% in a subsequent year as long as distributions do not exceed 5% per year on a cumulative basis.

#### **VI. Acceptance of Contributions**

Any person or institutions may contribute to the Endowment Fund provided that it is for a purpose consistent with the Village Players mission. With the recommendation of the Endowment Committee, the Board of Directors will review gifts which are made for a specific purpose, The Board may decline to accept any gift if they determine that:

1. the purpose for which the gift is proposed is inconsistent with the Village Players mission or
2. the type of property is
3. inappropriate as an asset of the organization or the gift is subject to conditions which, in the Board's opinion, they could not cost-effectively administer.

#### **VII. Separate Funds within the Endowment Fund**

The committee reserves the right to set up separate funds within the Endowment Fund in order to accommodate bequests that are designated for a specific purpose.

#### **VIII. Amendment of the Endowment Fund <sup>By-Laws</sup> By-Laws**

The Endowment Fund plan may be amended by a unanimous vote of the Endowment Fund Committee and a 2/3 majority of the Village Players Board of Directors. Approval by both parties is required to amend the Endowment Plan. Proposal for amendment may be introduced by either of the aforementioned parties.