

CONSTITUTION AND BY-LAWS

of

THE THORNHILL HERITAGE FOUNDATION

As approved March 15, 2008

1. **NAME:**

The Foundation shall be called "The Thornhill Heritage Foundation" hereinafter referred to as "the Foundation." The Foundation will be identified as registered in Ontario as Corporation Number 1766701, with a Government of Canada registration number of 80788-0752-RC0001.

2. **PURPOSE:**

The purpose of this Foundation is to provide ownership of heritage, cultural or other assets donated to or purchased by The Society for the Preservation of Historic Thornhill (otherwise known as the Thornhill Historical Society; hereinafter referred to as 'the Society') in order that the Society may operate separate and distinct from such assets.

3. **OBJECTIVES:**

The Foundation shall:

- (a) Own, control, maintain and/or preserve all assets of heritage, historic or cultural value that may be donated to or purchased by the Society, based on the opinion of the Society or an independent, knowledgeable party, as representing the character and flavour of the historic Village of Thornhill or surrounding area. Alternately, the Foundation may accept donations of cash, bequeathed financial instruments or equivalent. (This guideline is not applicable to regular operating assets of the Society or to any dealings involving any of the Society's direct activities. Likewise, it does not refer to documents housed, related to, directed to, or acquired by the Society's Archives and Special Collections function, hereinafter referred to as 'the Archives'.)
- (b) Establish a suitable process to review all donations before being accepted to ensure that the donation meets the objectives prescribed, including a review to ensure there is no possible liability, no possible physical or environmental risk, no potential financial burden to the Foundation at a future time and there are no unacceptable conditions attached to the donation. The donation must qualify as a "charitable gift" as defined by the Canada Revenue Agency (CRA); in other words, stipulating that the donor does not receive any direct benefit from the gifting. The Foundation may refuse a donation if acceptance would not be compatible with its or the Society's own objectives.
- (c) Identify who may accept or solicit donations on behalf of the Foundation (or where such donation is re-directed if addressed to the Society); define the responsibilities involved in the donation process; identify the circumstances under which a donation receipt will be issued and ensure that the Foundation operates in accordance to all guidelines in effect at the time by Canada Revenue Agency (CRA) with respect to all donations. The charitable tax receipt will be issued for the fair market value of the donation as of the date of transfer. The Foundation retains the right to determine the fair market value of the donation or arrange for a qualified, independent evaluator to determine the value if required; the Foundation will bear the cost of such an appraisal where there is any dispute as to value.
- (d) Establish and administer an Endowment fund to manage bequests, currency, testamentary or living trusts or other financial assets (including investments, shares or insurance benefits) donated directly to the Foundation or through the Society. The Endowment fund will be structured as a growing collection of unrestricted funds to support endeavours specified by the Board and/or the donor, but directed primarily to preserve and promote heritage features according to the objectives of the Society. It is acceptable for gains garnered by this Endowment fund to be used to support activities and objectives of the Society.

- (e) Locate, possibly acquire and maintain, a suitable location, for the Archives. In addition, the Foundation may be able to control the setting such that it could become a 'Heritage Centre' to also house and display collected artefacts and antiques relating to the history of the Village of Thornhill and surrounding area.
- (f) Enact decisions as the Board alone or in consultation with a knowledgeable expert if required regarding the suitability for liquidation of any security or other financial asset that may be donated to the Foundation. The Board has the authority to decide to liquidate any holding if deemed appropriate.
- (g) Purchase, rent, lease, hire, exchange (or in any other manner) acquire any real or designated property or any rights or privileges to property for the benefit of the Foundation or indirectly for the Society if appropriate.
- (h) Provide prudent, responsible stewardship and investment of all assets or funds, maintaining complete and accurate financial records by regularly monitoring its own processes and activities with the goal of meeting the highest standards of practice in all its activities, with respect to wishes prescribed by the donors.
- (i) Work with donors and other knowledgeable parties when required to achieve the correct action on any donation, where such gifts relate to special tax treatment, special heritage or unique environmental issues.
- (j) Should circumstances prevail that the Foundation may wish to or be forced to cease operation, liquidate assets with preference for dispersal of funds being directed to the objectives and/or activities of the Society at that time.
- (k) Exercise the authority of all other members of the Board if any member is deemed be acting inappropriately, considered detrimental or becomes delinquent in their duties or commitment to the Foundation.
- (l) Operate at all times as necessary, incidental or conducive to achieve the objectives of the Foundation as well as recognizing those associated with the Society.

4. **BOARD OF DIRECTORS:**

Appointees to the Board of the Foundation shall be recommended by the Executive of the Society. The Board shall consist of at least a Chair, a Vice-Chair, a Secretary, a Treasurer and an Executive Director. Members in these positions shall serve for a two-year term and may not serve in the same capacity on the Board in excess of three consecutive terms.

Additional Board positions may be defined and approved at the discretion of the full Board should circumstances warrant. Members of the Board must be distinct from the elected Executive of the Society and may NOT serve on the Board and the elected Executive at the same time. The Board may appoint ad-hoc or continuing committees as deemed necessary (e.g. an investment or finance committee) to establish policies or manage specific portfolio(s).

5. **MEMBERSHIP:**

There are no memberships in the Foundation. Members may be associated with this Foundation as individuals who are able to serve on any committee as approved by the Board; such members will have no voting authority in any decisions made by the Board. The Board may grant an honorary form of membership where circumstances may warrant such recognition.

6. **BY-LAWS:**

By-laws shall be established and set forth as deemed appropriate; conditional by-laws are not permitted nor shall any by-law be established or amended unless in accordance with the Constitution of this Foundation. Changes, additions and recommendations to existing by-laws may be submitted to the Board through the Secretary from committees and from other Board members. By-laws may be introduced, revised, altered or amended only upon due notice to the full Board by the Secretary at least thirty (30) days prior to the Annual General Meeting or before any special meeting as may be called to deal with a specific matter. A majority of 80% of the Board must be present at such a meeting to establish, revise or amend any by-law.

6. **AMENDMENTS:**

The Constitution of this Foundation may be revised, amended, or altered only upon due notice being given by the Secretary to the members of the Board not less than thirty (30) days prior to the Annual General Meeting or such meeting as may be called to consider the matter. A majority of 80% of the Board must be present to pass any revision or amendment. All proposed amendments must be submitted in writing in advance to the Secretary. Any Board member who holds more than one position of influence, if via a committee presence, shall be entitled to only one vote on any issue.

BY-LAWS OF THE FOUNDATION

I. DUTIES OF OFFICERS:

(a) **The Chair**

The Chair is the chief executive officer of the Foundation and shall preside, when present, at all meetings. The Chair shall report annually on the activities of the Foundation at the Annual General Meeting and shall appoint members of committees and delegates not otherwise provided for in the by-laws. The Chair is a member, ex-officio, of all committees.

(b) **The Vice-Chair**

The Vice-Chair shall assume the duties of the Chair in the event of absence, incapacity or resignation of the Chair and shall assume such duties as assigned by the Chair and/or the Board.

(c) **The Secretary**

The Secretary shall be responsible for all the correspondence and shall keep a written record of all meetings of the Foundation.

(d) **The Treasurer**

The Treasurer shall be responsible for the safekeeping of the Foundation's funds and for maintaining adequate financial records. The Treasurer shall prepare audited, detailed financial statements for the preceding fiscal year in a timely fashion after fiscal year-end. Copies will be made available to all attendees to the Annual General Meeting and additional copies may be mailed upon receipt of requests accompanied by stamped, addressed envelopes sent to the Treasurer. The Treasurer will complete all other reports with financial data as required to support the legal requirements in regards to the status of the Foundation.

The Treasurer shall deposit all monies received with a Chartered Bank or Trust Company in the name of The Thornhill Heritage Foundation. The Treasurer will record receipt and will control all gifts received with a financial value and provide safe storage of said documents until a decision is made regarding action to be taken. All disbursements shall be paid out by numbered cheques signed by the Treasurer OR the Chair. Executive approval shall be obtained for all petty cash disbursements exceeding two hundred and fifty dollars (\$250).

Additional requirements for signatures may be defined by the Board for larger value payments if appropriate.

The Fiscal year will be defined by the Board after the Foundation is officially registered.

(e) **The Executive Director**

The Executive Director shall be responsible for maintenance of all physical assets owned or controlled by the Foundation and for any action designed to achieve any improvement in that asset for the Foundation.

(f) **Executive Approval**

On matters requiring executive approval, at least four members of the Board, including the Chair or the Chair's designate, shall be consulted. In the case of a tied vote, the Chair shall cast the deciding vote. The Board shall decide exclusively on those motions and matters that require approval of any general matters.

(g) **Remuneration**

All activities of the Foundation performed by any member of the Board shall be fulfilled without any purpose of gain to the member. Any earnings or other accretions to the Foundation shall be used in promoting objectives of the Foundation and/or on specific activities of the Society.

Board members of the Foundation shall serve without remuneration and no Board member shall directly or indirectly receive any profit from his/her position. It is acknowledged that a Board member may be reimbursed for reasonable expenses incurred in the performance of activities for the Foundation.

II. MEMBERSHIP:

There shall be NO regular membership categories for the Foundation. However, Honorary memberships may be awarded by the Board as deemed appropriate.

Honorary Members

Upon recommendation of the Board, conveyed to all members of the Board at least thirty (30) days before a meeting, and upon confirmation by a two-thirds (2/3) vote of those present at such a meeting, any person or corporation may be awarded an honorary membership of the Foundation in recognition of service or benefit to the Foundation. Honorary Members (or a designate representing them) may serve on a committee, at the discretion of the Board, but this membership shall not be entitled to any vote.

Steering Committee

Interested parties may apply to the Chair or to the Board to serve on a Steering Committee, should one be organized, that will report periodically on topics of interest to the Board. Also, the Board may appoint parties to the Steering Committee as required with direction to deal with any issue that may arise. The Steering Committee, if numbers warrant, may appoint its own Director to organize the Committee. The Steering Committee may comprise a maximum of ten (10) members, who may serve terms at the discretion of the Board. The Steering Committee will recommend policy or suggestions to the Board but has no formal voting authority on the Board.

III MEETINGS

There shall be in every calendar year an Annual General Meeting of the Foundation to be held no later than two months after the end of the fiscal year for any election to the Board, the approval of financial statements and to review other such matters that properly pertain to an annual meeting. (The fiscal year will be defined by the Board once the Foundation is officially recognized.) In addition, there may be other meetings of the Foundation or the Board as the Chair shall call. All special meetings of the Foundation shall be held on a date to be announced with a minimum of fourteen (14) days notice by any acceptable means of communications to all parties. Unless otherwise specified in the Constitution, the procedure at all meetings of the Foundation and of the Board shall be in accordance with general parliamentary procedure.

The Board shall encourage and invite the exchange of information through a continuing dialogue with other members or relevant parties through meetings, newsletters or other communication facilities distributed at least once a year.

On all matters to be decided by vote, the vote shall be by simple majority of those present unless where otherwise specified herein. At any meeting of the Board of the Foundation, the presiding officer shall have no vote except in the case of a tie on a vote requiring a simple majority in which case the officer will cast the deciding vote. All votes shall be by show of hands unless a simple majority of members present demand a secret ballot.

IV COMMITTEES:

The Chair, with the advice of the Board, may appoint from time to time such ad hoc and/or continuing committees as may be considered appropriate. The Director of such a committee may sit at meetings of the Board but such provision should

be specified each time a new committee is formed. The Director of any committee does not have a vote at any meeting of the Board unless otherwise previously established by agreement with all Board members.

V EXECUTIVE INDEMNITY

The Thornhill Heritage Foundation may indemnify any Board member, including former or current members of bona fide sub-committees, against all costs, claims, charges and expenses, including an amount paid to settle an action or satisfy a judgement, reasonably incurred by such member, in respect of any civil, or administrative action or proceeding to which he/she is made a party of by reason of being, or having been a Board member of the Foundation, if

- (a) he/she acted honestly and in good faith with a view to the best interests of the Foundation
- (b) in the case of civil or administrative action or proceeding, he/she had reasonable grounds for believing that his/her conduct was lawful.

I hereby certify that this Constitution and By-laws was approved at a Special Meeting called to establish The Thornhill Heritage Foundation. Dated this 15th day of March 2008.

Nigel Connell, Chair

David Rawcliffe, Secretary

