

Resolution No. 2025-02

TO AMEND SECTIONS 12, 12 (E) & 12 (F) OF THE CONSTITUTION AND STATUTES
GRAND COMMANDERY OF KNIGHTS TEMPLAR OF VIRGINIA REGARDING THE ESTABLISHMENT OF THE
KNIGHTS TEMPLAR EDUCATIONAL FOUNDATION FUND AS PART OF THE PERMANENT FUND

Whereas Section 12 of the Constitution and Statues of the Grand Commandery of Knights Templar of Virginia reads:

There is established a Permanent Fund, consisting initially of the funds and securities held by the Trustees, and which may be added to from time to time as Grand Commandery may think fit; the purpose of this fund being to provide a source of annual income to supplement Per Capita taxes together with any other income available to the Grand Commandery, and to handle such emergencies as may arise. That fund shall include the General Fund, the Permanent Life Membership Fund, the Holy Land Pilgrimage Fund, the Baldwin Brown Fund, the E. Carey Knight Fund, and such other funds as the Trustees may deem necessary to establish. Each of these funds shall be established as separate accounts.

Be it resolved that Section 12 be amended to read as follows:

There is established a Permanent Fund consisting initially of the funds and securities held by the Trustees, and which may be added to from time to time as Grand Commandery may think fit. The purpose of this fund being to provide a source of annual income to supplement Per Capita fees together with any other income available to the Grand Commandery, and to handle such emergencies as may arise. That fund shall include the General Fund, the Permanent Life Membership Fund, the Holy Land Pilgrimage Fund, the Baldwin Brown Fund, the E. Carey Knight Fund, the Knights Templar Educational Foundation Fund, and such other funds as the Trustees may deem necessary to establish. Each of these funds shall be established as separate accounts.

And whereas Section 12 (E) of the Constitution and Statues of the Grand Commandery of Knights Templar of Virginia reads:

- (E) The Trustees shall cause no distributions to be made from the Permanent Fund other than payments to Commanderies for Permanent Life Memberships, annual payments to the Holy Land Pilgrimage Fund to send Ministers to the Holy Land, annual income from the Baldwin Brown Fund for purposes included in the Annual Budget, or, between Stated Conclaves as two (2) Trustees together with the Grand Commander may determine as necessary. No changes will be made in the investments without the authority of the Grand Commandery, or in the interim, with the concurrence of two (2) Trustees and the Grand Commander for good and enough reason as these officers may think fit. Such changes will be reported at the next Stated Conclave and submitted to a confirmation vote.

Be it resolved that Section 12 (E) be amended to read as follows:

- (E) The Trustees shall cause no distributions to be made from the Permanent Fund other than payments to Commanderies for Permanent Life Memberships, annual payments to the Holy Land Pilgrimage Fund to send Ministers to the Holy Land, annual payments to the

Knights Templar Educational Foundation to award educational grants to students, annual income from the Baldwin Brown Fund for purposes included in the Annual Budget, or, between Stated Conclaves **of the Grand Commandery** as two (2) Trustees together with the Grand Commander may determine as necessary. No changes will be made in the investments without the authority of the Grand Commandery, or in the interim, with the concurrence of two (2) Trustees and the Grand Commander for good and enough reason as these officers may think fit. Such changes will be reported at the next Stated Conclave and submitted to a confirmation vote.

And whereas Section 12 (F) of the Constitution and Statutes of the Grand Commandery of Knights Templar of Virginia reads:

- (F) At the end of the Calendar Year the Trustees will determine the annual income (earnings) from the General Fund, Baldwin Brown Fund, Museum Fund, and the E. Carey Knight Fund and make that information available to the Finance Committee Chair in January of each year, at his request, for budget purposes. The Trustees will direct disbursements from the Permanent Fund to be deposited in the Operating Account of the Grand Commandery quarterly. The first disbursement of funds will be deposited immediately after the Grand Conclave. All subsequent disbursements will be based on anticipated need as planned and articulated by the Finance Committee Chairman to the Trustees. Therefore,

Be it resolved that Section 12 (F) be amended to read:

- (F) At the end of the Calendar Year the Trustees will determine the annual income (earnings) from the General Fund, Baldwin Brown Fund, Museum Fund, the E. Carey Knight Fund, **and the Knights Templar Educational Foundation Fund** and make that information available to the Finance Committee Chairman in January of each year, at his request, for budget purposes. The Trustees will direct disbursements from the Permanent Fund to be deposited in the Operating Account of the Grand Commandery quarterly. The first disbursement of funds will be deposited immediately after the annual stated Conclave of Grand Commandery. All subsequent disbursements will be based on anticipated needs as planned and articulated by the Finance Committee Chairman to the Trustees.

Reasons why this resolution will be beneficial and necessary to the Grand Commandery:

In 2019, the Grand Commandery approved Resolution 2019-2 to move the administration of the Knights Templar Educational Foundation Fund to the Grand Encampment of Knights Templar of the U.S.A.

It was believed at the time that these monies, being part of a larger fund, would increase earnings and streamline some of the administration of the Committee and Grand Officers. It was also believed that more detailed and frequent reports would be available as well as an annual audit conducted by the Grand Encampment.

However, over the past two and a half years, the members of the Knights Templar Educational Foundation Committee and the Grand Commandery's Trustees have repeatedly had difficulty working with the Grand Encampment to receive these reports to the effect of being told that no monthly or

quarterly reports would be sent. The annual audits have had to be amended at the close of the 2022 and 2023 fiscal years to determine the accurate value of the Fund.

With no monthly or quarterly reports from the Grand Encampment, the balance of the Fund is only provided to the Grand Commandery once per year. The balances of the Grand Commandery's other investments are reported on a monthly basis by the Trustees.

Because of these reasons, it is unknown if Generally Accepted Accounting Principles (GAAP) are being followed by the Grand Encampment and questions have arisen as to whether Virginia funds are being comingled with other grand jurisdictions.

Resolution 2019-2 provided in its explanation that "Should this action be found to no meet our needs in the future, the Grand Commandery could regain control and withdraw our funds from the Grand Encampment Fund." We have arrived at that position and should regain control of our funds.

Respectfully submitted by:

Sir Knight Joseph M. Matthews, PC, KCT (9) - Chairman, Knights Templar Educational Foundation
Committee & Grand Sword Bearer

Sir Knight Jimmy D. Davis, PC, KTCH (8, 19) - Senior Trustee

