

CANON 8

The Diocesan Advance and Development Funds

Sec. 1. A permanent revolving fund, to be known as "The Diocesan Advance Fund", to be established through the solicitation of gifts, bequests and contributions thereto, from time to time, throughout the Diocese, is hereby created.

A permanent development fund, to be known as "The Diocesan Development Fund", and to be raised through solicitation of gifts, bequests and contributions thereto, from time to time, throughout the Diocese, is hereby created.

Sec. 2. The purpose of these Funds is to provide for the capital needs of the Diocese and its institutions. The term "project" as used in this Canon shall mean acquisition of land or buildings, construction of Church related facilities, purchase or construction of permanent improvements, and repairs to same.

Sec. 3. There shall be established a "Committee on Advance and Development Funds", hereinafter referred to in this Canon as "The Committee", to be composed of the Bishop, ex officio, and not less than six or more than twelve members, appointed thereto from the Diocese by the Bishop and approved by the Convention. The term of office of each member shall be six years. Any vacancies shall be filled for the unexpired term by the Bishop.

The Committee shall select from among its own membership, from time to time, a Chairperson, a Vice-Chairperson, a Secretary, a Treasurer and such other officers as the business of The Committee may require.

The Committee shall adopt, and may alter, amend and revise, from time to time, its own rules of procedure; provided that no solicitation of funds by The Committee nor loan or grant of any part of either Fund shall be made without the approval of the Ecclesiastical Authority.

Sec. 4. The Trustees of the Protestant Episcopal Church of the Diocese of Delaware shall at all times be the Fiscal Agent for these Funds.

Title to and custody of the assets of these Funds as well as all evidences of indebtedness and security given in connection with any loan, all investments thereof, and all income and accruals thereto, shall be taken and remain in the Trustees of the Protestant Episcopal Church of the Diocese of Delaware, a corporation of the State of Delaware.

Sec. 5. The Committee is authorized and empowered to:

- (a) initiate, organize and conduct campaigns throughout the Diocese, from time to time, for the purpose of soliciting funds, bequests and contributions to the Funds;
- (b) approve and authorize the granting of loans from the Advance Fund for any Congregational or diocesan project for which application may be made to The Committee in writing, upon such terms of repayment and amortization, at such rate of interest, with such security and subject to such other terms and conditions as The Committee shall determine; provided, that no loan shall be amortized over a period in excess of twenty years and that the interest rate charged upon any loan each year shall be no higher than eighty per cent (80%) of the interest rate on 20 year U. S. Government bonds on the date the loan is authorized;
- (c) approve and authorize grants for the Development Fund for any Congregational or Diocesan project in the Diocese of Delaware for which application may be made to The Committee in writing and subject to such other terms and conditions as The Committee shall determine;
- (d) pay the costs and expenses of administering these Funds from the income received upon loans and investments, adding the balance of the income to the principal of the Development Fund.
- (e) have the right and obligation to keep the Trustees advised on the projected need for availability of monies from these Funds for the purposes set out in Section 5 herein.