



## *Grand Lodge of California* *Independent Order of Odd Fellows*

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January 9, 2018

### Restricted Funds and Us

What are “Restricted Funds” and why should be concerned about them? Generally, Lodges control their assets and funds. Chapter XXII of Roberts Code describes the general rules. In Section 2, we learn that the funds and property of a Lodge are held as a Trust Fund to be used for the charitable use of the Odd Fellows, or for expenditures for Lodge purposes, or for the advancement of the Lodge and the Order.

A Lodge may never divide their funds or assets among any members. If a Lodge closes, their assets revert to the Grand Lodge.

Lodges must keep their funds and other assets in the name of the Lodge. The accounts must require two signatures to withdraw funds. Lodges may invest surplus funds in real estate, stocks, bonds, securities, savings certificates or other fully insured instruments. Lodges may loan funds in only limited, secured circumstances. Lodges may never loan funds to any member.

Special rules apply to funds from the sale of a Lodge building. These funds are called Restricted Funds. See Chapter V, Section 1. H. (5). Restricted Funds must be held in a separate account. They may be used for the building or acquisition of a Lodge hall. Lodges are expected to identify on the Annual Report any accounts which are Restricted Funds.

Lodges may use interest from Restricted Funds accounts for Lodge operations. Otherwise, the Restricted Funds may not generally be used.

The only way a Lodge may use Restricted Funds for other purposes is if the use is approved by the Grand Lodge or by the Grand Lodge Board of Directors. The Code section listed above describes the process for seeking that approval.

It is important that Lodges keep clear records about their Restricted Funds. If you have questions about the management or use of Restricted Funds, you should contact your District Deputy Grand Master or a Grand Lodge officer.

In Friendship, Love and Truth,

*Dave Reed*

GRAND MASTER

*Actions Speak Louder Than Words*