



## **Masons of California – A Corporate Primer**

### **Background: Freemasonry**

Freemasonry (or Masonry) is a 300-year-old worldwide fraternity whose members commit to improving themselves and their communities. Masonry encompasses a series of moral teachings based on allegory and the symbolism of ancient stonemasonry. At its core, Freemasonry is about building deep friendships, personal development, and community service.

- True Friendship – Many members meet their best friends through Freemasonry because Masonry offers a combination of shared traditions, a shared purpose, and a shared commitment to fostering lifelong relationships.
- Personal Development – Ancient Freemasons focused on building structures. Today's Masons focus on building character. Masons are value-driven, and strive to embody those values through action, relationships, and service to others.
- Community Service – Masons take an obligation to support their fellow members and their communities. In California, this is illustrated by members commitment to the health and well-being of members and their families and through support of public education and literacy.

**Our vision:** A World in Harmony

**Our mission:** We build strong communities through friendship, service and self-improvement



## Grand Lodge of California

Masonry has been an integral part of California for more than 175 years. In 1850 – the year California became a state – California freemasons established the Grand Lodge of Free & Accepted Masons of California (“Grand Lodge”).

A grand lodge oversees Freemasonry within its jurisdiction, which may be defined geographically or philosophically. For example, there are several grand lodges within California that proscribe to different kinds of Freemasonry. Within its own jurisdiction, a grand lodge charts local lodges, provides services and resources to those lodges, and serves as their headquarters. There are grand lodges in all 50 states and the District of Columbia, and in most countries throughout the world. Each grand lodge is sovereign and independent as there is no U.S. or international governing body for Freemasonry.

<b>Grand Lodge of California</b>
<b>Established:</b> 1850
<b>Type:</b> California 501(c)(10) unincorporated association
<b>Membership:</b> 37,000
<b>Number of lodges:</b> 332
<b>Number of staff:</b> 71

Grand Lodge is an unincorporated California association, and because of that, Grand Lodge does not have a board of directors. Headquartered in San Francisco, it is led by the chief executive officer of Grand Lodge, the Grand Master, who is elected by the membership and serves a one-year term. The Grand Master leads, and receives counsel from, an executive committee of elected, unpaid Masons (the “Grand Lodge Executive Committee (GLEC”).

The Grand Secretary is the most senior paid administrative officer of Grand Lodge and oversees the Grand Lodge staff, which includes Finance, Legal, HR, Member Services, Marketing/Communications functions. As a volunteer, the Grand Treasurer delegates many of the Treasurer’s day-to-day duties to the Grand Lodge’s Chief Financial Officer.

### Masons of California: Masonic Entities Established by Grand Lodge

During its more than 175-year history, Grand Lodge has established separate corporate entities to further the goals of California Masonry and the mission of Grand Lodge. Today, Grand Lodge and its five Masonic entities are collectively referred to as the “Masons of California.” Upon their formation, Grand Lodge assigned each new entity with a unique mission.

Grand Lodge maintains control over these entities through its power to appoint their board members. Grand Lodge’s Grand Secretary and Grand Treasurer are, ex-officio, the Secretary



and Treasurer of these entities. That said, the relationships between the entities and Grand Lodge are symbiotic. Grand Lodge’s support and board oversight help the entities achieve their strategic goals while adhering to the principles of California Freemasonry. By pursuing their own goals, the five entities advance Grand Lodge’s mission and strengthen California Freemasonry.

### Masonic Homes of California

Throughout California Freemasonry’s history, its members have supported fellow Masons and their families in need. In 1898, Grand Lodge opened its first residential community to provide a home and care for needy orphans and elderly California Masons and their wives and widows. In 1919, Grand Lodge incorporated the Masonic Homes of California to manage its new community.

This community is a thriving community for the elderly, and has two campuses: the first, located on 305 acres in the hills of Union City overlooking San Francisco Bay, and the second, an expansive, beautiful campus in Covina. Indeed, since the turn of the 20th Century, Masonic Homes has continuously evolved: In 1915, Masonic Homes opened its second campus in Covina to better serve California’s Masonic children and orphans. In 1987, this campus became the senior community that exists today to respond to the changing needs of the fraternity. In the last five years, Masonic Homes has expended more than \$138 million in new construction and renovations on its two campuses, and expanded Masonic Center for Youth and Families into Covina.

Today, the operations of Masonic Homes include:

- Masonic Homes’ two senior residential communities offering independent living, assisted living, memory care, and skilled nursing care. These communities are open to the public. Eligible Masons and their spouses, surviving spouses, parents and parents-in-law are provided charitable support to live on the campuses, if needed. Both communities are licensed as continuing care communities and as residential facilities for the elderly by the California Department of Social Services. Additionally, both campuses include a licensed skilled nursing facility, regulated by the California

<p><b>Masonic Homes of California</b></p> <p><b>Established:</b> 1898 <b>Type:</b> California (501(c)(3) public benefit corporation</p> <p><b>Endowment:</b> \$987 million</p> <p><b>Location:</b> Union City, Covina, San Francisco (MCYAF)</p> <p><b><u>Residential Communities</u></b> Resident capacity: 380 Number of staff: 479</p> <p><b><u>Masonic Center for Youth and Families</u></b> Number of clients: 810 Number of staff: 19</p> <p><b><u>Masonic Outreach Services</u></b> Number of clients: 498 Number of staff: 21</p>
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Department of Public Health.

- Two youth counselling centers in Union City and Covina, under the brand the Masonic Center for Youth and Families (“MCYAF”) were established to fulfill its mission to care for children. MCYAF provides integrated counselling for youth, ages 4-17, who are struggling with behavioral, learning, or psychological problems, and their families. MCYAF also offers counseling services to Masonic Homes’ seniors at its Union City and Covina residential campuses. MCYAF serves clients throughout the state on a sliding fee scale basis and without regard to Masonic affiliation. The Union City office of MCYAF is licensed as a psychology clinic by the California Department of Public Health.
- An extensive financial and non-financial support services network for Masons and their families, under the brand Masonic Outreach Services (“MOS”). MOS care managers are located throughout the state and provide members and their families with critical connections to senior services, family services, assistance for aging at home, care planning and management, and financial services. It handles all requests, including those for residence on the senior campuses.

Masonic Homes has a volunteer board of Masons appointed to three-year, staggered terms by successive grand masters, and one resident, who may or may not be a Mason. Two of the Masons who serve as board members are members of the GLEX.

The members of Grand Lodge when convened in an Annual or Special Meeting and the Grand Master are delegates of Masonic Homes and have the authority of “members” of Masonic Homes as that term is defined by the California’s Nonprofit Corporations Law. The Bylaws of Masonic Homes state that Masonic Homes is “affiliated with the Grand Lodge of Free and Accepted Masons of California, a California unincorporated association, and this corporation shall at all times be operated in accordance with, and its activities subject to, the Constitution, Ordinances, Edicts, Resolutions, and Disciplines of the Grand Lodge.”

### Acacia Creek Retirement Community

Acacia Creek Retirement Community opened in 2010 as an independent and assisted living community on Masonic Homes' Union City campus and has 150 apartments and 4 cottage homes. It serves both Masons and the general public. Acacia Creek enriches the independence, well-being, and security of its residents through services and care based on Masonic values and successful aging philosophies.

Like Masonic Homes, the Acacia Creek Retirement Community is licensed as both a continuing care retirement community and residential care facility for the elderly. Acacia Creek residents who are subject to continuing care agreements may access higher levels of care provided by Masonic Homes.

As a corporation, Acacia Creek's sole member is Masonic Homes and leases its land from Masonic Homes. Certain Acacia Creek corporate actions require the approval of Masonic Homes, including: the revision of Acacia Creek's articles, bylaws, or mission statement; the incurrence of debt above a sum specified by Masonic Homes; and the transfer of substantially all of Acacia Creek's assets.

Acacia Creek has a board that includes voluntary Masons appointed by Masonic Homes (as sole member of Acacia Creek), subject to the approval of the Grand Master; two residents; and one "outside" board member with relevant industry experience.

The resident and outside board members are not required to be Masons.

#### **Acacia Creek Retirement Community**

**Established:** 2010

**Type:** California 501(c)(3)  
public benefit corporation

**Location:** Union City

**Residential Units:** 154  
**Number of Staff:** 77

### California Masonic Foundation

California Masonic Foundation (CMF) was formed to advance Grand Lodge’s mission to support Masonic Homes and California’s communities. It raises money from the fraternity for the benefit of Masonic Homes, public education, and other causes. In addition to its fundraising work on behalf of Masonic Homes, CMF’s philanthropic programs concentrate on youth and education, including the support of public-school literacy programs and college scholarships. CMF has strong partnerships with four Major League Baseball teams in California, Raising a Reader (an early childhood literacy organization), and several college success organizations.

#### **California Masonic Foundation**

**Established:** 1969

**Type:** California 501(c)(3) public benefit corporation

**Endowment:** \$48.5 million

**Location:** San Francisco

**Number of staff:** 4

CMF has a voluntary board who are all California Masons and who serve staggered terms appointed by successive grand masters.

### California Masonic Memorial Temple

The California Masonic Memorial Temple (“CMMT”) is both the name of California Freemasonry’s headquarters located at 1111 California Street in San Francisco and the California nonprofit that holds title to that building and the land on which it sits.

CMMT, the building, opened in 1958. It includes a portico and grand hall, including Emil Norman’s world-famous endomosaic 48-by- 38-foot mural; a 3,000-seat state-of-the-art auditorium; a five-level public parking garage; the Henry W. Coil Library and Archives; the offices of Grand Lodge, and Freemasons’ Hall, a meeting space for lodges.

#### **California Masonic Memorial Temple**

**Established:** 1954

**Type:** California 501(c)(3) public benefit corporation

**Location:** San Francisco

CMMT, the corporation, operates under IRS Code 501(c)(3) as a Type II supporting organization. As a Type II supporting organization, its mission is to provide financial and other support to the California Masonic Foundation through its management of the CMMT building. To generate financial support, CMMT leases its auditorium (known as the “SF Masonic”) to Live Nation. It leases the five-story parking garage to the Nob Hill Masonic Center and leases third-floor offices to Grand Lodge.



CMMT maintains a voluntary board of Masons, all appointed by the grand master.

### **Nob Hill Masonic Center, Inc.**

Nob Hill Masonic Center (“NHMC”) is wholly owned by Grand Lodge. It maintains a voluntary board of Masons and one outside board member, all appointed by the grand master.

NHMC leases the five-story parking garage at 1111 California Street from CMMT. It also leases the two-story parking garage at Grace Cathedral, located across the street from CMMT. NHMC operates these two garages indirectly through a parking management agreement with a national parking garage operator. NHMC pays dividends from its net profits to Grand Lodge.

<b>Nob Hill Masonic Center</b>
<b>Established:</b> 2006
<b>Type:</b> California for-profit corporation
<b>Location:</b> San Francisco

### **Masons of California Shared Services Business Model**

Like many organizations with multiple entities, the Masons of California uses a “shared services” business model. This business model allows Grand Lodge and its five entities to share resources across the entire organization. In this model, administrative and other resources are centralized instead of separated by entity.

This model has proved to be effective for the organization. It allows for economies of scale and efficiency by standardizing tasks and minimizing redundancies and headcount. By using shared services, the entities generally receive higher quality services than they could generate on their own and our business leaders can more easily focus on their substantive programs and missions.

Grand Lodge provides administrative services (listed in box) to itself and its five entities. All entities are required to procure their administrative services through the Grand Lodge shared services program. Grand Lodge selects, supervises, and evaluates the officers leading each of these administrative departments and their staff, with input from the leaders of the other five

<b>Administrative Shared Services</b>
Human Resources
Information Technology
Legal
Finance and accounting
Marketing/communications
Member data
<b>Other services offered by Grand Lodge</b>
Executive management
Program services



entities.

Our entities may elect, but are not required, to receive additional services through the Grand Lodge shared services program, including executive management services and program services. For example, Masonic Homes receives only administrative services through the Grand Lodge shared services program. CMMT's and NHMC's executive and administrative services are provided by Grand Lodge.

Grand Lodge fairly divides the costs of the program among each of the six entities by allocating to each entity only the actual costs of the shared services utilized by that entity. Allocations and their associated costs are reviewed frequently. Grand Lodge does not charge a "mark-up" on services performed.

The organization may also share services between its entities. For example, Masonic Homes procures its fundraising services from the California Masonic Foundation. The Foundation allocates costs for these services and charges Masonic Homes accordingly.