

The following procedures are designed to streamline the administration of your grant recommendations and ensure compliance with the laws governing donor-advised funds.

**LANGUAGE OF RECOMMENDATION.** You may recommend grants from your fund by accessing our web site or by sending us a signed grant recommendation form. All grant recommendations include the following language:

By signing this form, I hereby certify that neither I nor anyone else will receive any impermissible benefit from the recommended charitable organization. This includes, for example, admission to charitable events, memberships that have a non-deductible portion, tuition, raffle tickets, and goods or services bought at a charitable auction. In addition, this grant recommendation is not in payment of an enforceable pledge and is not made for lobbying purposes or to support a political campaign. I understand and acknowledge that I cannot claim a charitable deduction for grants made by Jewish Communal Fund.

Additional certifications may be required, particularly with respect to grants to supporting organizations.

**Please note:** Grant checks cannot be issued for less than the minimum\* amount established by the Jewish Communal Fund.

**QUALIFIED CHARITABLE ORGANIZATIONS.** Each organization recommended by you is reviewed by our staff to verify its tax-exempt status and official mailing address. All grants issued by the Jewish Communal Fund must be made to organizations that qualify as tax-exempt under Section 501(c)(3) of the Internal Revenue Code and that are classified as either public charities as described in Sections 509(a)(1), (a)(2), or (a)(3) of the Code, private operating foundations as described in Section 4942(j)(3) of the Code, or government instrumentalities exempt under Section 501(c)(1) of the Internal Revenue Code. We do not make grants to individuals, private non-operating foundations, "controlled" Type I or Type II supporting organizations, Type III supporting organizations that are not functionally integrated, or overseas organizations, although grants may be made to qualified U.S. public charities that support overseas charitable activities such as "American Friends of" organizations.

Provisions in the laws governing charitable institutions impose restrictions and penalties pertaining to grants from donor-advised funds and private foundations to certain types of organizations falling under section 509(a)(3) of the Internal Revenue Code, commonly known as supporting organizations. As a result of this law, grant recommendations to all supporting organizations will require additional research, and certification by you and the grantee, thus increasing the time required to process such recommendations. Longer processing times may also be required for grants to governmental and religious organizations.

**CHARITABLE PURPOSE.** The Jewish Communal Fund makes grants exclusively for charitable purposes and reserves the right to conduct due diligence and to decline grant recommendations. Grants may not be earmarked for the benefit of any particular individuals or families. In the case of a scholarship, a grant may be recommended to name and/or support a general scholarship fund of a public charity where the recipient is selected by the grantee through a fair and non-discriminatory process that is not controlled by the donor/recommender or related parties. If a donor/recommender recommends that a grant be used by the grantee for a particular approved purpose, the Jewish Communal Fund will convey to the organization the recommended purpose, but assumes no responsibility for enforcing compliance by the organization with respect to the recommended purpose. In the absence of a recommended purpose, the grant will be unrestricted for general purposes.

The Jewish Communal Fund cannot make grants that provide an impermissible benefit to a donor/recommender or any third party. This includes, for example, admission to charitable events, memberships that have a non-deductible portion, tuition, raffle tickets, and goods or services bought at a charitable auction. If you wish to accept tickets to a charitable event or receive more than incidental membership benefits associated with a charitable donation, you may not use your donor-advised fund. If you recommend a grant with the intention of receiving such a benefit or providing such a benefit to a third party, you may be subject to legal action including penalty excise taxes of 125% of the benefit amount. However, you may use your fund if you decline tickets or more than incidental benefits associated with the recommended grant. Additionally, grants cannot be made for lobbying purposes or to support political campaigns.

\*As of October 2010, the grant minimum is \$36 for online grant recommendations to charities that do not require research. If you mail or fax a grant recommendation form to JCF, the minimum grant amount is \$100. All Children's Giving Funds and NextGen Giving Funds have a minimum grant amount of \$36. Minimum grant amounts are subject to change.

\*Please see page 2 (*reverse side*) for important instructions.

*We hope the following examples will be helpful to you:*

**Religious institution membership:** You may recommend grants for synagogue dues and other religious institution memberships.

**Museum and public broadcasting memberships:** You may **not** receive more than incidental benefits (e.g., coffee mug) if you wish to recommend a grant from your fund.

**Charity auctions:** Purchases at charity auctions may **not** be paid with a grant from your fund.

**Supporting a charitable event and not attending:** If you decline tickets and all benefits associated with the event, you may recommend a grant from your fund. Please write "declined tickets and benefits" if you reference an event on the recommendation.

**Journal ad for a charitable event:** You may recommend grants for personal acknowledgments only (not for business advertising). However, **you may not accept complimentary tickets** to a charitable event that are offered with the purchase of a journal ad.

**Supporting a charitable event and attending:** In most cases, a ticket to an event consists of a non-deductible portion and a deductible portion. If that is the case, **you may not use your donor-advised fund for any portion of the ticket. The full ticket price (deductible and non-deductible portions) must be paid by you personally.** If you wish to make a charitable donation in addition to your ticket purchase, you may recommend a grant from your donor-advised fund for the charitable donation.

**REGARDING PLEDGES.** The Jewish Communal Fund cannot fulfill enforceable pledges of financial support on behalf of its donors/recommenders or any third party. An enforceable pledge is a legally binding pledge. If a charitable organization solicits you for a pledge, you may advise the charity that you intend to recommend a grant from your donor-advised fund or you may use one of our pre-printed "This Is Not A Pledge" cards. That information will enable the charity to associate your name in its database with the grant check sent by the Jewish Communal Fund at your recommendation. The language of recommendation is particularly important when you are solicited to make a multi-year commitment to a charitable organization.

We also ask that you kindly refrain from sending pledge cards, reservation forms, journal ads, or similar correspondence to us, as we are unable to forward these to grantee organizations on your behalf.

**GRANT ACKNOWLEDGMENT.** You may indicate in your grant recommendation the person(s) whom the organization may thank for recommending the grant. If you wish the organization to acknowledge a third party, this information will be included in the letter to the organization.

**REVIEW PROCESS.** Grant recommendations are processed by staff members who verify that all of the above procedures have been met. Grant checks are mailed to qualified grantee organizations typically within 5 business days of receipt of your recommendation, although during high volume periods processing may take slightly longer. Grant processing may require more time in the event additional review is required to determine a recommended organization's tax-exempt status or classification or if clarification is needed with respect to your recommended purpose. The kind of situations that will often prompt a call to you, or to the recommended organization, before a grant recommendation can be approved include: reference to an event, membership, individual, or pledge without clarifying language (e.g., "no tickets," "not attending," "declining benefits," "in honor of," "not a legally binding pledge").

To determine the tax-exempt status and classification of a recommended organization, the Jewish Communal Fund must verify certain information and will contact the organization to obtain the information. If the organization cannot be reached within 30 days, or if it does not provide the necessary information within 30 days, the grant recommendation may be denied. If the information is provided at a later date, the donor/recommender will be informed so that they may make a new grant recommendation.

In the event that there is a delay in processing your grant recommendation, a member of our staff will notify you generally within 7 business days of receipt of your recommendation and keep you apprised of continuing efforts to obtain the necessary information to approve the grant. All qualified grant recommendations are submitted to the Charitable Distribution Committee of the Jewish Communal Fund's Board of Trustees for approval.

Your cooperation in following these procedures is greatly appreciated. It is our hope that these procedures will reduce delays in processing your grant recommendations and enable us to serve you better. Please refer to your **Policies and Procedures** booklet for more detailed information about grants administration. The failure of a donor/recommender to comply with these procedures may result in the Jewish Communal Fund closing the fund and transferring the assets to the JCF Special Gifts Fund. If you have questions or would like further clarification about these policies, please do not hesitate to call.