



Gift Acceptance Policies & Guidelines

As of August 2019

Foundation for Jewish Camp “(FJC)”, a non-profit organization governed under the laws of the State of New Jersey encourages the solicitation and acceptance of donations for purposes that will help further fulfill its mission. The following policies and guidelines govern acceptance of gifts made to FJC or for the benefit of any of its programs.

1. Purpose of Policies & Guidelines

The Board of Directors and its staff solicit current and deferred gifts from individuals, corporations and foundations to secure the further growth and mission of FJC. These policies and guidelines serve to govern the acceptance of gifts and to provide guidance to prospective donors when making donations to FJC.

2. Types of Gifts

- **Cash.** Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express), card number, expiration date, and name of the card holder as it appears on the credit card.
- **Marketable Securities.** Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed FJC's Investment Committee. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by FJC's Executive Committee.
- **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans.** Donors are encouraged to make bequests to FJC under their wills, and to name FJC as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- **Charitable Remainder Trusts.** FJC will accept designation as a remainder beneficiary of charitable remainder trusts.
- **Charitable Lead Trusts.** FJC will accept designation as an income beneficiary of charitable lead trusts.
- **Real Estate:** Gifts of real estate may include developed property, undeveloped property or gifts subject to a prior life interest.

I. Evaluation of Potential Gifts

- a) Property and Report Form: Upon initial inquiry, potential donors will be asked to complete a property inquiry form independently or in conjunction with the CEO of FJC. The donor shall provide the Foundation with the appropriate maps and documentation FJC deems necessary to evaluate the potential gift. (*Real Property Inquiry form to be attached*)
- b) Liens, Mortgages and Encumbrances: Property which is subject to liens, unpaid mortgages, deeds of trust, judgment liens, unpaid taxes or assessments, mechanics' liens or other encumbrances will be accepted only in exceptional circumstances and upon advice from the Foundation's legal counsel. If accepted, property which is subject to encumbrances will be evaluated as a "bargain sale" (a bargain sale is an arrangement whereby a donor offers property to the Foundation for an amount less than its current fair market value).
- c) Field Evaluation: Following an offer of a gift of real estate, an authorized representative of FJC will visit the property. A representative may be a local realtor, engineering firm, or other person as deemed appropriate by the CEO of FJC. The purpose of the visit will be to determine the nature and type of property and to identify any potential problems not evident from initially supplied information that would hinder or prevent the Foundation's sale of the property.
- d) Market Evaluation: Whenever practicable, arrangements will be made to have a realtor appraiser analyze the property to evaluate the existence of a market for such property. The CEO of FJC or COO may request, at his/her discretion, that the donor provide such an evaluation from a realtor acceptable to the Foundation.
- e) Expense Budget: The CEO of FJC, in conjunction with the COO, will prepare a budget outlining all the projected expenses associated with the consideration and evaluation of all proposed real estate gifts.

II. Responsibilities of the Donor

- a) The donor will be responsible to obtain a qualified appraisal complying with IRS regulations for the purposes of establishing the value of the gift for federal income tax purposes, including the preparation of Form 8283 ("Noncash Charitable Contributions")
- b) The donor must obtain, at the donor's expense, an environmental audit satisfactory to FJC. No property will be accepted if there is a likelihood of any liability which could attach FJC as a result of its taking title to the property.
- c) The donor must furnish FJC with evidence of title which shows that title to the property is free and clear except for current real estate taxes and restrictions of record which would not create any economic burden on FJC.
- d) It is the donor's responsibility to prepare the deed and other instruments which are necessary to transfer the property to FJC. All proposed transfer instruments must be reviewed by FJC's legal counsel prior to acceptance by the FJC.
- e) Prior to acceptance of the property, FJC and the donor must agree in writing on arrangements for paying expenses associated with the property, such as commissions, real estate taxes, utilities, insurance and maintenance costs. Generally, FJC will not advance funds for the payment of such expenses.
- f) Donor will be encouraged to discuss contemplated bequests of real estate before finalizing their wills. Property that is bequeathed to FJC will be evaluated in accordance with the Policy and Procedure like all other gifts of real property. The donor will be responsible for all professional and legal fees associated with gift.

III. Procedure for Accepting Real Estate

- a) After the requirements of this Policy and Procedure have been satisfied, the Chief Executive Officer and the Executive Committee of the FJC Board will have the authority to accept or refuse a gift of real property.
- b) The Chief Executive Officer and the Executive Committee of the FJC Board may refuse any offered gift of real property that is judged not to be in the best interest of FJC.
- c) Prior to or upon transfer of title to FJC, the donor and FJC will sign an agreement (approved by legal counsel) stating the terms of the gift, which shall specify that there are no restrictions on FJC's right to use or convey the property.
- d) FJC will not seek exemption from real estate taxes for donated property, unless the property is utilized by the organization in fulfilling its mission.

IV. Marketing and Sale of Real Estate

- a. After accepting a real estate gift, when property not retained by FJC, arrangements will be made to sell the property. A qualified real estate professional will be contracted for sale of property if deemed necessary by the gift acceptance committee.
- b. While it is anticipated that in most circumstances the sale price will equal or exceed the appraised value of the property, the terms of the sale will take into account current market conditions, availability of financing and other factors. Any offer must be approved by the Chief Executive Officer and FJC's legal counsel.
- c. In the case of a sale within two years of the date of the gift, FJC will report the actual sales proceeds to the IRS on Form 8282 ("Donor Information Return").

V. Real Estate Gifts by Bequests

- a) Upon becoming aware that FJC has been named to receive a gift under any Will that has been admitted to probate or any trust arrangement, the CEO of FJC will contact the executor, trustee, or other legal representative of the estate, and determine if the FJC's gift consists of land or, if FJC is a residuary beneficiary of the estate, where the residue passing to FJC will contain any land.
- b) If FJC will or may receive land in satisfaction of the gift, the CEO of FJC will ask the executor, trustee, or other representative to conduct an environmental study similar to the one that FJC would require if it were to receive an inter-vivos gift. If the executor, trustee, or other legal representative has not made the study and if it does not do so, the FJC should make its own study or decline to accept the gift.

VI. What the Foundation Will Not Do

- a) Except in extraordinary circumstances, FJC will not pay for legal assistance, appraisals or other services on behalf of the donor.
- b) FJC will not establish or corroborate the value of any property for the purpose of substantiating the donor's income tax charitable deduction.

3. Acknowledgment Guidelines

Formal recognition of FJC donors shall include methods of recognition that enhance the image of FJC, show appreciation to the donor, and provide opportunities for public acknowledgement. Gift levels and recognitions shall be developed by the Fund Development Committee with approval of the Board of Directors.

All gifts, regardless of value, form, or designated use, shall be acknowledged by FJC with official correspondence within one week of receipt of the gift, if possible. Acknowledgement represents to the donor acceptance of the gift along with its restriction, notice of what goods and services were or were not received, and may also serve the donor as evidence to certify a possible tax deduction.

4. Endowments

Endowments will be an essential source of continual support for FJC and its mission in the future. Distinct from other funds, endowments are invested, the annual investment return added to the principal, and only a portion of the resulting amounts are spent annually.

An endowment gift made to FJC shall have a minimum initial amount of \$20,000 and be deposited in FJC's general endowment. For the purpose of creating a named endowment, such a gift made to FJC shall have a minimum initial amount of \$500,000.

Prior to soliciting or accepting any gift that establishes an endowment fund, the Board of Directors must understand the proposed terms of the endowment fund, any restrictions on spending and use and have confidence that FJC will be able to administer and spend the endowment income in accordance with those terms and conditions.

To establish an endowment fund, FJC requires a written letter which effectuates the gift. The letter must clearly indicate which individual has the authority to define the endowment fund terms and contain the following necessary elements:

- donor name and signature
- date of donor's signature
- official fund's name
- fund purpose
- amount of gift

Depending on the fund terms, the letter may require additional elements. If the fund terms include a restriction, an alternative use clause should be included. The alternative use clause language is designed to allow the Board complete discretion to determine alternate purposes in the event the funds cannot be usefully applied for the original purpose.

Donors who establish endowed funds will receive periodic financial updates on the value of their funds and may also receive periodic reports from FJC related to the individuals and activities which benefit from the gifts.

5. Valuation of Gifts

FJC will record a gift received at its valuation for gift purposes on the date of the gift

Acknowledgment of all donations made to FJC and compliance with current IRS requirements shall be the responsibility of the Board of Directors.

6. Naming Rights

A naming gift is a rare philanthropic opportunity to make a gift that will transform the FJC in some way, and may create a legacy with a person, a family, or an organization for an extended period of time, perhaps in perpetuity. Also, because a naming opportunity may be available only once in the FJC history, great care must be taken to assure that the naming gift is adequate to set the pace for future naming gifts as well as to provide a level of funding consistent with an exceptional level of excellence, and to maintain that exceptional level of excellence in the future.

1. General Conditions for Naming Gifts.

At least 50% of the gift must be liquid assets and no more than 50% may be an irrevocable testamentary bequest. In addition to the Conditions of Acceptance for All Gifts, the following general conditions must also be satisfied for naming gifts before any naming gift will be considered for acceptance by the Board of Directors:

- a. Name Must Be Appropriate.
 - i. The public association created by linking the name to an endowment, building, facility or program of the FJC must be appropriate and desirable. The name must also appropriately reflect the nature or function of the affected component of FJC and will appear on appropriate plaques and other signage and in FJC written materials and publications.
- b. Amounts Required.
 - i. The total amount of the naming gift must be large enough to provide annual income distribution, in total dollars or as a percentage of the total expendable budget of the affected component of FJC to enable the affected component to operate at a fundamentally different and advanced level of excellence.
- c. Payment Options.
 - i. Naming gifts may be funded through current gifts (e.g., cash, securities, and charitable lead trusts), agreements for future gifts payable within five (5) calendar years, irrevocable testamentary bequests or a combination thereof. Any exception to the five-year period for agreement for future gifts will be based upon the recommendation of the Development Director and the approval of the Executive Committee.
- d. Alternate Recognition.

- i. If the component of FJC to which the name is attached ceases to exist (a building is razed for example), then the FJC will recognize the donor by attaching the name to a comparable component of FJC.
- e. Written Agreement Requirement.
 - i. Naming gifts must be memorialized by a written agreement that is legally binding on the donor, the donor's estate, heirs, legal representatives, successors and assigns.
- f. Confidentiality.
 - i. In the event that FJC and potential donor have entered into discussions about a potential gift either for purposes of endowment or a naming gift, the donor agrees to keep any and all information in confidence, until such time that both FJC and the donor can agree on a joint statement to be disseminated in an agreed upon venue. For purposes of this confidentiality provision, it is permissible for both donor and FJC to share information during the discussion phase with counsel.
- g. Revoking Naming

In certain circumstances, FJC reserves the right to revoke and terminate its obligations regarding a naming, with no financial responsibility for returning any received contributions to the benefactor. These actions, and the circumstances that prompt them, may apply to an approved naming that has not yet been acted upon or to a conferred naming.

- i. If the benefactor's or honoree's reputation changes substantially so that the continued use of that name may compromise the public trust, dishonor the organization's standards, or otherwise be contrary to the best interest of FJC, the naming may be revoked. However, caution must be taken when, with the passage of time, the standards and achievements deemed to justify a naming action may change and observers of a later age may deem those who have conferred a naming honor at an earlier age to have erred. Namings should not be altered simply because later observers would have made different judgments;
- ii. If the benefactor fails to maintain payments on a pledge upon which the naming was bestowed, the naming may be revoked;
- iii. If a planned gift upon which the naming was bestowed does not result in the value agreed upon, the naming may be revoked.

7. Use of Legal Counsel

FJC shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate, such as:

- A. Gifts of securities that are subject to restrictions or buy-sell agreements.
- B. Documents naming FJC as trustee or requiring FJC to act in any fiduciary capacity.
- C. Gifts requiring FJC to assume financial or other obligations.
- D. Transactions with potential conflicts of interest.
- E. Gifts of property which may be subject to environmental or other regulatory restrictions.

Persons acting on behalf of FJC shall in all cases advise each donor to discuss the proposed gift with independent legal counsel, as well as with other professional advisors of the donor's choice, so as to ensure that the donor receives a full and accurate explanation of all aspects of a proposed charitable gift. Legal fees in such matters will be covered by the donor.

8. Restrictions on Gifts

FJC will accept monetary unrestricted and restricted gifts provided that such gifts are consistent with its mission. FJC will accept a gift of any amount, though gifts to establish a named endowment must meet the minimum funding requirements set by the Board of Directors (see #4). A donor may complete a gift in a single transaction or make a pledge to be paid over whatever period of time is mutually acceptable to the donor and FJC.

FJC reserves the right to decline gifts that (a) would result in FJC violating its corporate charter, (b) would result in FJC losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for FJC or (e) are for purposes outside FJC' mission.

Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Executive Committee, in consultation with the CEO.

If the purpose for the gift is no longer in existence, the Board, in their discretion, can redirect the funds as close as possible to the original purpose and where they are most needed.

9. Privacy of Donations

FJC holds all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor or a prospective donor will be granted only if permission is first obtained from the donor. Donor anonymity requests will be honored.

10. Changes to Policies

These policies and guidelines have been reviewed and accepted by the gift Financial Resource Development committee of FJC. The Financial Resource Development committee of FJC must approve any changes to or deviations from these policies.