

## **II. FINANCE**

### **II.A. Finance: Expenditures**

#### **II.A.1. Budget**

**II.A.1.a.** The following expenditures must be approved by the Board:

**II.A.1.a.i.** Any non-budgeted expenditure greater than \$1,000 (except for contracted expenses already approved by the Board). *(3/12/1997)*

**II.A.1.a.ii.** Any non-budgeted contract for an amount greater than \$1,000 that extends beyond the current fiscal year. *(3/12/1997)*

**II.A.1.b.** The following expenditures must be approved by the Board Members indicated:

**II.A.1.b.i.** Any expenditures that would cause a cumulative balance of an account to be \$1,000 or more over budget must be approved by the President or Financial Vice President. *(3/12/1997)*

**II.A.1.b.ii.** Committee chairs can re-allocate money within their budget line items up to \$1,000 per line item. Any reallocation above \$1,000 must be approved by the Financial Vice President. *(3/12/1997)*

**II.A.1.c.** Funds budgeted for salaries and benefits cannot be used for non-personnel related costs. *(3/12/1997)*

#### **II.A.1.d.**

**II.A.1.d.i.** Vice Presidents and Committee Chairpersons will receive a copy of the budgeted income and expense accounts relating to their Committee at the beginning of each fiscal year. *(3/12/1997)*

**II.A.1.d.ii.** Vice Presidents and/or Committee Chairpersons are responsible for tracking progress against budget and for bringing major variances to the attention of the Executive Committee. *(3/12/1997)*

#### **II.A.2. SKIP Program**

JRC supports the "Send a Kid to Israel Program" (SKIP). Through joint partnership in a savings plan, students who participate in the program for the full seven years (grades 3-9) will have available approximately \$2,100 including interest, to meet the cost of an Israel trip. Each family will contribute \$145 per year and JRC will contribute \$25 per year per student. *(9/1987)*

#### **II.A.3. Rabbinic Endowment Fund**

JRC shall contribute \$50,000 to the JRC Foundation to establish a Rabbinic Endowment Fund, the income of which shall be available on specific terms for the benefit of the principal Rabbi of JRC. *(5/10/92)*

## **II.B. Finance: Income**

### **II.B.1. Dues Adjustments**

**II.B.1.a.** Dues categories are based on life-cycle stages. Dues adjustments are to be made for financial need only. *(8/2/78)*

**II.B.1.b.** *(Rescinded and replaced 5/13/1998)*

**II.B.1.c.** *(Approved 5/13/98; rescinded and replaced 4/10/2019)*

**II.B.1.d.** *(Approved 5/13/98; rescinded and replaced 4/10/2019)*

**II.B.1.e.** *(Approved 7/8/98; rescinded and replaced 4/10/2019)*

**II.B.1.f.** Target dues adjustments for new members at no more than 50% and work towards a goal of no more than 50% for existing members. Specific adjustment procedures shall be agreed upon annually among staff and lay leadership. *(4/10/2019)*

**II.B.1.g.** Cap total dues adjustments at an amount in the properly adopted annual budget. Staff and lay leadership shall not allow the total aggregate dues adjustment to exceed the adjustment allowance (or percentage of budgeted gross dues revenue) reflected in the adopted budget without prior approval by the Board. *(4/10/2019)*

**II.B.1.h.** An exception to the applicable adjustment procedures may be granted to new or existing members on a case-by-case basis with the agreement of any two of the following four JRC positions: President, Immediate Past President/President Elect, Rabbi, and Executive Director. No such exceptions shall be granted that would cause the total aggregate dues adjustment to exceed the adjustment allowance (or percentage of budgeted gross dues revenue) reflected in the adopted budget without prior approval by the Board. *(4/10/2019)*

### **II.B.2. Membership Categories for Under 35s**

**II.B.2.a.** Restructure the membership categories and dues for our members under 35 years old by eliminating our Twenty-Somethings (20-29), Young Single, and Young Household (30-35) categories. These three categories would be replaced by a Young Adult membership category for those 18 years old up to and including 35-year-olds, with a listed monthly dues commitment of \$36/month for Singles and \$72/month for Couples & Families. YA members can join at any time, but their commitments would last through the fiscal year in which they join. This policy would be effective immediately upon passage. *(9/13/2017)*

**II.B.2.b.** Dues rates for the Young Adult category defined in II.B.2.a. will be adjusted annually according to the dues rate changes approved by the Board. *(4/10/2019)*

### **II.B.3. Maintenance Fund (formerly known as Building Fund)**

**II.B.3.a.** New members are not required to contribute to the Maintenance Fund in their first year. In the subsequent three years, however, they would be expected to come up to the fair share level. This fund would be permanent--all future new members would be expected to contribute. *(Approved 9/20/83; "Building Fund" replaced with "Maintenance Fund" 4/10/2019)*

**II.B.3.b.** Fulfillment of the Maintenance Fund pledge, within the bounds of ability to pay, is an obligation of every member of the congregation in good standing. *(Approved 11/15/83; "Building Fund" replaced with "Maintenance Fund" 4/10/2019)*

**II.B.3.c.** *(Approved 2/12/86; rescinded and replaced 4/10/2019)*

**II.B.3.d.** *(Rescinded and replaced 5/12/1999)*

**II.B.3.e.** *(Approved 5/12/1999; rescinded 4/10/2019)*

**II.B.3.f.** New members will be required to pay \$3,000 to the Maintenance Fund with installments of \$500 per year and subject to all the other terms and conditions now in effect and bearing upon the Maintenance Fund contributions.

**II.B.3.g.** New members joining as seniors or singles will be required to pay \$1,500 to the Maintenance Fund with installments of \$250 per year and subject to all the other terms and conditions now in effect and bearing upon the Maintenance Fund contributions. *(4/10/2019)*

**II.B.3.h.** Early Childhood Families and Young Adults will not be required to pay into the Maintenance Fund while they are in either of these membership categories. *(4/10/2019)*

## **II.B.4. Fundraising**

**II.B.4.a.** *(Approved 1/8/1992; rescinded 5/8/2019)*

### **II.B.4.b. Development Committee**

**II.B.4.b.i.** The JRC Development Committee shall coordinate the fundraising and solicitation projects of all areas of the congregation. This will serve as a central clearinghouse, so that all suggested projects, events and activities will reflect the goals and philosophy of JRC. It will further serve to coordinate a congregational calendar of fundraising activities. *(Approved 2/14/1996; "Fundraising Committee" replaced with "Development Committee" 4/10/2019)*

**II.B.4.b.ii.** All fundraising ideas and other solicitation projects not currently projected as line item income in the annual budget shall be submitted to the Development Committee Chair for review by the Development Committee. All fundraising ideas and other solicitation projects having a goal of greater than \$1,000 shall be submitted to the Development Committee Chair for review by the Development Committee. The Development Committee Chair will then submit proposals to the VP Financial Development for final approval by the Board of Directors. *(Approved 2/14/1996; "Fundraising Committee" replaced with "Development Committee" and "Executive Committee" replaced with "VP Financial Development" 4/10/2019)*

## **II.B.5. Memorial Sculpture**

**II.B.5.a.** *(Approved 6/8/1988; rescinded and replaced 4/10/2019)*

**II.B.5.b.** *(Approved 11/8/1989; rescinded and replaced 4/10/2019)*

**II.B.5.c.** To honor and memorialize individuals by inscribing their name on the Memorial Sculpture (granite sculpture located in the main hallway of the building), a donation of \$1000 is required. *(4/10/2019)*

**II.B.5.d.** All contributions received for inscriptions on the Memorial Sculpture will be contributed to the JRC Foundation. The full donated amount (less the cost of engraving) will be to the Foundation's General Unrestricted Fund. *(4/10/2019)*

## **II.B.6. Financial Donations**

**II.B.6.a.** Contributions to JRC are always appreciated. Financial donations that are designated to funds or projects not yet approved by the JRC Board of Directors will be gratefully accepted upon approval of the project or fund for which the gift is designated or if the donor(s) agree that the designated gift

may be used for other related purposes at the discretion of the Board, should their specific designation not be approved or if funds remain after the project has been completed, or if the Board determines that the fund is no longer needed. Under all circumstances, while the guidelines set forth by the donor(s) shall be considered, the donor(s) agree that final authority on how the funds are actually used rests with the Board of Directors or the Board's duly appointed representative. (5/8/1996)

**II.B.6.b.** JRC will not share its membership list with donor history with Reconstructing Judaism. However, JRC is committed to support the Reconstructionist movement among its membership. (Approved 11/11/1998; "JRF" replaced with "Reconstructing Judaism" 11/7/2018)

## **II.B.7. Tzedakah Collective** (Approved 9/25/1996; rescinded 11/7/2018)

### **II.B.8. Tzedakah Funds**

**II.B.8.a.** Early Childhood Center Fund was set up to receive donations for the Early Childhood Center program. (Approved 6/8/1988; "pre-school" replaced with "Early Childhood Center" and "Special" removed 11/7/2018)

**II.B.8.b.** The Ronna Farber Sanders Educational Fund has been established by Billie and Isadore Farber in memory of their daughter. Money from this fund is to be used by JRC to provide services to families and children with educational difficulties. In conjunction with this fund, an ad hoc committee was selected and authorized to implement "A program for parents and children with special needs." The JRC Foundation will finance it. (9/11/1991)

**II.B.8.c.** (Approved 2/10/2016; rescinded and replaced 4/10/2019)

**II.B.8.d.** All existing funds on the Tzedakah Opportunity Sheet were approved and are to be carried on our books as currently shown. The Tzedakah Opportunity Sheet is here: [https://www.jrc-evanston.org/sites/default/files/uploaded\\_documents/tzedakah\\_opportunities\\_form.pdf](https://www.jrc-evanston.org/sites/default/files/uploaded_documents/tzedakah_opportunities_form.pdf) (1/8/1992)

**II.B.8.e.** Two new funds were adopted: Project Keshet and the Ronna Farber Sanders Memorial Fund of the JRC Foundation. (1/8/1992)

**II.B.8.f.** Project Keshet and Mazon will no longer appear on JRC Tzedakah Opportunity Form. Contributions should go directly to those organizations. (10/13/1999)

**II.B.8.g.** The Hunger Fund (formerly known as the Food Fund) will be renamed the Soup Kitchen Fund. (4/10/2019)

### **II.B.9. Gift Acceptance Policy**

**II.B.9.a. PURPOSE.** This policy serves as a guideline to members of the Jewish Reconstructionist Congregation (JRC) staff and volunteers involved with accepting gifts, to outside advisors who assist in the gift planning process, and to prospective donors who wish to make gifts to JRC. This policy is intended only as a guide and allows for some flexibility on a case-by-case basis. (12/14/2011)

**II.B.9.b. GIFT ACCEPTANCE.** The Executive Director and the VP of Development have the authority to accept a gift on behalf of JRC. (12/14/2011)

**II.B.9.c. GIFT REVIEW COMMITTEE**

**II.B.9.c.i.** All gifts, other than unrestricted gifts of cash, are subject to review by the Gift Review Committee. *(12/14/2011)*

**II.B.9.c.ii.** The Gift Review Committee will be comprised of the Executive Director, the President of the Board, the VP of Development, and the Treasurer. *(12/14/2011)*

**II.B.9.d. RESTRICTED GIFTS**

**II.B.9.d.i.** Gifts with attached restrictions that are not in line with the mission of JRC will not be accepted. *(12/14/2011)*

**II.B.9.d.ii.** The donor cannot solely name the beneficiary of a restricted gift, but can serve as a member of the selection committee. For example, a donor providing a gift for a scholarship program cannot name the beneficiary of said scholarship. However, the donor can serve as a member of the selection committee determining scholarship recipients. *(12/14/2011)*

**II.B.9.e. PLEDGES.** Pledges may be payable in single or multiple installments and must have a value of at least \$5,000. The pledge may not exceed ten (10) years in duration. All donors must complete a pledge form or confirm the pledge in writing. *(12/14/2011)*

**II.B.9.f. CASH**

**II.B.9.f.i.** All unrestricted gifts by check shall be accepted by JRC regardless of amount. *(12/14/2011)*

**II.B.9.f.ii.** Checks shall be made payable to JEWISH RECONSTRUCTIONIST CONGREGATION or to a particular program or project at JRC. In no event shall a check be made payable to an individual who represents JRC. *(12/14/2011)*

**II.B.9.f.iii.** Thank you letters will be sent to all donors within two weeks of receipt. *(12/14/2011)*

**II.B.9.g. PUBLICLY TRADED SECURITIES**

**II.B.9.g.i.** Readily marketable securities, such as those traded on a stock exchange, can be accepted by JRC. *(12/14/2011)*

**II.B.9.g.ii.** Gift securities are likely to be sold immediately by JRC. *(12/14/2011)*

**II.B.9.g.iii.** For JRC gift crediting and accounting purposes, the value of the securities is the average of the high and low on the date of the gift. Thank you letters will only indicate the number of donated shares. *(12/14/2011)*

**II.B.9.g.iv.** Thank you letters will not provide a value of the gift; only a description of the donation will be provided. *(12/14/2011)*

**II.B.9.h. CLOSELY HELD SECURITIES**

**II.B.9.h.i.** Non-publicly traded securities may be accepted after consultation with JRC's attorney. *(12/14/2011)*

**II.B.9.h.ii.** Prior to acceptance, JRC shall explore methods of liquidation for the securities through redemption or sale. A representative of JRC shall try to contact the closely held corporation to determine:

**II.B.9.h.ii.(1).** An estimate of fair market value

**II.B.9.h.ii.(2).** Any restrictions on transfer

*(12/14/2011)*

**II.B.9.h.iii.** No commitment for repurchase of closely held securities shall be made prior to completion of the gift of the securities. *(12/14/2011)*

**II.B.9.h.iv.** Thank you letters will not provide a value of the gift, only a description of the donation will be provided. *(12/14/2011)*

#### **II.B.9.i. REAL ESTATE**

**II.B.9.i.i.** Gifts of real estate must be reviewed by the Gift Review Committee of JRC before acceptance. *(12/14/2011)*

**II.B.9.i.ii.** The donor is responsible for obtaining an independent appraisal of the property. The cost of the appraisal is borne by the donor. *(12/14/2011)*

**II.B.9.i.iii.** The donor is responsible for obtaining an independent environmental study of the property. The cost of the study is borne by the donor. *(12/14/2011)*

**II.B.9.i.iv.** Prior to presentation to the Gift Review Committee, a representative of JRC must conduct a visual inspection of the property. If the property is located in a geographically isolated area, a local real estate broker can act as a representative in conducting the visual inspection. *(12/14/2011)*

**II.B.9.i.v.** Due to the expenses associated with gifts of real estate, only gifts in excess of \$100,000 will be accepted. *(12/14/2011)*

**II.B.9.i.vi.** Prior to presentation to the Gift Review Committee, the donor must provide the following documents:

**II.B.9.i.vi.(1).** Real estate deed *(12/14/2011)*

**II.B.9.i.vi.(2).** Real estate tax bill *(12/14/2011)*

**II.B.9.i.vi.(3).** Plat of survey plan *(12/14/2011)*

**II.B.9.i.vi.(4).** Substantiation of zoning status *(12/14/2011)*

**II.B.9.i.vi.(5).** Appraisal *(12/14/2011)*

**II.B.9.i.vi.(6).** Environmental study *(12/14/2011)*

**II.B.9.i.vii.** Depending on the value and desirability of the gift, the donor's connection with JRC, and the donor's past gift record, the donor may be asked to pay for all or a portion of the following:

**II.B.9.i.vii.(1).** Maintenance costs *(12/14/2011)*

**II.B.9.i.vii.(2).** Real estate taxes *(12/14/2011)*

**II.B.9.i.vii.(3).** Insurance *(12/14/2011)*

**II.B.9.i.vii.(4).** Real estate broker's commission and other costs of sale *(12/14/2011)*

**II.B.9.i.viii.** For JRC's gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate. (Note: JRC can choose to exclude from the value of the gift costs for maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.) *(12/14/2011)*

**II.B.9.i.ix.** Thank you letters will not provide a value of the gift, only a description of the donation will be provided. *(12/14/2011)*

#### **II.B.9.j. LIFE INSURANCE**

**II.B.9.j.i.** JRC will accept life insurance policies as gifts only when JRC is named as the owner and beneficiary of 100% of the policy. *(12/14/2011)*

**II.B.9.j.ii.** If the policy is a paid-up policy, the value of the gift for JRC's gift crediting and accounting purposes is the policy's replacement cost. *(12/14/2011)*

**II.B.9.j.iii.** If the policy is partially paid up, the value of the gift for JRC's gift crediting and accounting purposes is the policy's cash surrender value. (Note: For IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly in excess of the cash surrender value.) *(12/14/2011)*

**II.B.9.j.iv.** If the policy is partially paid up, the donor is responsible for making premium payments directly to the insurance company. *(12/14/2011)*

**II.B.9.j.v.** Thank you letters will not provide a value of the gift, only a description of the donation will be provided. *(12/14/2011)*

**II.B.9.k. TANGIBLE PERSONAL PROPERTY**

**II.B.9.k.i.** Gifts of tangible personal property to JRC should have a use related to JRC's exempt purpose. *(12/14/2011)*

**II.B.9.k.ii.** Gifts of jewelry, artwork, collections, equipment, and software shall be accepted after approval by the Gift Review Committee. *(12/14/2011)*

**II.B.9.k.iii.** Such gifts of tangible personal property defined above shall be used by or sold for the benefit of JRC. *(12/14/2011)*

**II.B.9.k.iv.** No property which requires special display facilities or security measures shall be accepted by JRC without consultation with the Gift Review Committee. *(12/14/2011)*

**II.B.9.k.v.** Depending upon the anticipated value of the gift, JRC shall have a qualified outside appraiser value the gift before accepting it. *(12/14/2011)*

**II.B.9.k.vi.** JRC adheres to all IRS requirements related to disposing of gifts of tangible personal property and filing appropriate forms. *(12/14/2011)*

**II.B.9.k.vii.** Thank you letters will not provide a value of the gift, only a description of the donation will be provided. *(12/14/2011)*

**II.B.9.k.viii. Sale of Tangible Personal Property on Ebay**

**II.B.9.k.viii.(1).** If a gift of tangible personal property is deemed appropriate for sale through ebay, the item must be transported to JRC at the donor's expense. *(12/14/2011)*

**II.B.9.k.viii.(2).** JRC will take responsibility for providing description, value and necessary photographs to volunteer handling ebay sales. *(12/14/2011)*

**II.B.9.k.viii.(3).** Volunteer handles all information entry for sale and all communication with potential buyers. *(12/14/2011)*

**II.B.9.k.viii.(4).** Payment is made to JRC through our Mission Fish account (to be set up after policy is passed). *(12/14/2011)*

**II.B.9.k.viii.(5).** JRC will retain possession of the item until it is sold and will be responsible for shipment to the buyer after payment is received. *(12/14/2011)*

**II.B.9.k.viii.(6).** JRC places a limit of 10 pounds or 80 linear inches on items eligible for ebay program, unless specifically agreed upon between donor and JRC. *(12/14/2011)*

**II.B.9.l. PLANNED GIFTS. JRC offers the following planned gift options:**

**II.B.9.l.i. Charitable remainder trusts**

**II.B.9.l.i.(1).** Due to the cost of drafting and administration, the minimum to establish a charitable remainder trust is \$100,000. *(12/14/2011)*

**II.B.9.l.i.(2).** Management fees for the administration of a charitable remainder trust when JRC is named as trustee or co-trustee shall be paid from the income of the trust. *(12/14/2011)*

**II.B.9.I.i.(3).** Investment of a charitable remainder trust shall be determined by the fiduciary hired to manage the trust. No representations shall be made by a JRC employee or person acting on behalf of JRC as to the management or investment of such charitable remainder trust. *(12/14/2011)*

**II.B.9.I.i.(4).** The payout rate of a charitable remainder trust shall be determined in consultation with the donor and JRC investment advisor using the interest rates provided by the IRS. By law the payout rate cannot be lower than 5%. The payout rate shall be negotiated between the donor and JRC and shall reflect the number of beneficiaries, their ages, and the size of the trust. *(12/14/2011)*

**II.B.9.I.ii. Bequests**

**II.B.9.I.ii.(1).** Assets transferred through bequests that have immediate value to JRC or can be liquidated shall be encouraged by the Executive Director. Gifts that appear to require more cost than benefit shall be discouraged or rejected. *(12/14/2011)*

**II.B.9.I.ii.(2).** Donors who have indicated that they have made a bequest to JRC may, depending upon the individual situation, be asked to disclose, in writing or by copy of the will, the relevant clause that benefits JRC as evidence of their gift. This information is used for internal financial purposes and is not binding on the donor. *(12/14/2011)*

**II.B.9.I.ii.(3).** For JRC's gift crediting and accounting purposes, bequests will be credited as bequests receivable when the bequest has matured and notification of a specific amount is received. *(12/14/2011)*

**II.B.9.m. ADMINISTRATIVE ISSUES**

**II.B.9.m.i.** JRC shall not act as an executor (personal representative) for a donor's estate. *(12/14/2011)*

**II.B.9.m.ii.** JRC may act as co-trustee on a charitable remainder trust when the trust names JRC as a beneficiary of 50% or more of the trust. *(12/14/2011)*

**II.B.9.m.iii.** JRC will pay for the drafting of legal documents for a charitable remainder trust when JRC is named as a beneficiary of 50% or more of the trust. The donor's own counsel must review the documents at the donor's cost. *(12/14/2011)*

**II.B.9.m.iv.** Large gifts (amount to be determined) will be directed to the JRC Foundation based on the discretion of the Gift Review Committee. *(12/14/2011)*

**II.B.10. Gift Recognition**

**II.B.10.a.** *(Approved 7/18/1985; rescinded 11/7/2018)*

**II.B.10.b.** Donors who make total monetary contributions for the combined Capital Campaigns and/or a realized legacy gift at or above a threshold level determined by The Board will be offered the opportunity to receive permanent public recognition on the outside grounds of the JRC property. The design of the permanent recognition will be in keeping with the values of the congregation and approved by the Board. *(Approved 11/7/2018)*

**II.B.11. Dues for Non-JRC Clergy**

Non-JRC rabbis and cantors and their families can join JRC as members at a Young Adult membership level in recognition of their service and commitment to the Jewish people. If non-JRC rabbis and cantors and their families join JRC, then they are subject to the full privileges and obligations of being a JRC

member and there is no expectation of their participation in services, programs or committees beyond that of any other congregant. (4/10/2019)

