



GIFT ACCEPTANCE POLICY
Of the Dallas Jewish Community Foundation
Under Section 2.9 of the Bylaws

Adopted by the Board of Trustees on December 18, 2001

Amended March 16, 2006

Amended September 30, 2013

Amended August 19, 2024

- 1) Purpose. The Dallas Jewish Community Foundation (“Foundation”) is a nonprofit corporation organized under the laws of the State of Texas. In order to achieve its mission, the Foundation must continue to accumulate, through charitable gifts, a pool of assets sufficient to support current and future community needs. This Gift Acceptance Policy (“Policy”) was adopted by the Foundation Board of Trustees (“Board”) to establish a clear understanding of the Foundation’s gift acceptance policy and practices.

The purpose of this Policy is to provide guidelines for the acceptance of gifts by the Foundation. Recognizing that unanticipated scenarios may arise, the Policy provides guidance for the Foundation’s leadership, but also allows for flexibility.

- 2) Authority. As provided in Section 2.9 of the Foundation Bylaws, the screening, acceptance, and rejection of any gift, contribution, or transfer of assets to the Foundation shall be done pursuant to this Policy, as adopted by the Board, and as permitted by statute, the Foundation Amended and Restated Certificate of Formation, and the Bylaws. Pursuant to Section 4.5 of the Foundation Bylaws, and in accordance with this Policy, the Gift Acceptance Committee shall be responsible for making recommendations to the Executive Committee regarding the acceptance, receipt, management, and/or disposition of assets of real property and other unique non-cash and non-securities assets. Pursuant to Section 4.2 of the Foundation Bylaws, on behalf of the Board and in accordance with this Policy, the Executive Committee shall accept, modify, or reject recommendations from the Gift Acceptance Committee regarding the acceptance, receipt, management, and/or disposition of assets of real property and other unique non-cash and non-securities assets. The gifts described in Section 6) of this Policy, except for those described in Section 6)a., are subject to Gift Acceptance Committee and Executive Committee review in accordance with this Policy.
- 3) Counsel. The Foundation shall seek the advice of legal counsel when deemed appropriate by the Gift Acceptance Committee in considering acceptance of a proposed gift. In particular, review by counsel is recommended for:

- a. closely held stock transfers that are subject to restrictions or buy-sell agreements;
- b. all gifts involving contracts, including any gift requiring the Foundation to assume an obligation; and
- c. all transactions involving a potential conflict of interest.

Further, all prospective donors should be urged to seek the advice of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

4) Unrestricted and Restricted Gifts. In accepting unrestricted gifts and gifts for specific purposes, the Foundation aims to assure that each gift is structured to maximize benefits to the donor, the Foundation, the community, and the beneficiaries of the Foundation's charitable programs and activities, without encumbering the Foundation with a gift that generates costs disproportionate to its benefit, or that may be restricted in a manner not in keeping with the laws governing charitable gifts or the Foundation's charitable purposes.

5) The Gift Acceptance Committee. The Gift Acceptance Committee shall consist of:

- a. The Chair of the Board,
- b. The Treasurer of the Board,
- c. Two members of the Board (including Life Trustees) appointed by the Chair of the Board,
- d. The Chief Executive Officer of the Foundation,
- e. The Chief Financial Officer of the Foundation, and
- f. The Chief Impact Officer of the Foundation.

6) Acceptable Gifts. These rules are subject to the general acceptance rules of this Policy. The Foundation shall have the sole discretion to sell or hold these gifts. All efforts should be made to sell gifted real property and other unique non-cash and non-securities assets within a reasonable time after the Foundation has accepted these gifts unless the Gift Acceptance Committee recommends and the Executive Committee determines otherwise. Regarding applicable gifts, the Foundation shall request a qualified appraisal from the donor in accordance with IRS regulations, the cost of which should be borne by the donor, to inform its decision whether to accept the gift.

- a. Unencumbered Gifts. Gifts and gift vehicles in a form that are usually and customarily accepted by foundations and planned-giving programs and that would customarily be accepted by charities affiliated with the National Association of Charitable Gift Planners or the American Council on Gift Annuities may be accepted by Foundation staff after exercising appropriate professional judgment and due diligence.

The Foundation will accept the following types of unrestricted and unnamed gifts without any required approval from the Gift Acceptance Committee or Executive Committee:

- i. Cash in U.S. dollars.
- ii. Cash in foreign currency that is readily convertible to U.S. dollars.
- iii. Marketable securities that are part of a publicly tradable class of securities.

- b. Tangible Personal Property. In considering a proposed gift, the Gift Acceptance Committee and the Executive Committee should consider whether:
- i. The Foundation is required to retain it or sell it immediately,
 - ii. The property furthers the mission of the Foundation,
 - iii. The property is marketable,
 - iv. There are any restrictions on the use, display, or sale of the property, and
 - v. There are any carrying costs or administrative burdens for the property.
- c. Closely Held or Non-Marketable Securities. In instances where the Foundation is offered a gift of ownership in a partnership of any type or in a business entity, or in one or more units of a partnership of any type or in a business or investment entity such as a corporation or LLC, the following conditions shall apply:
- i. Foundation staff shall review the partnership agreement, financial documents, and other necessary material to ascertain that there is no liability pass-through to holders of limited partnership interests, as well as make any other necessary determinations regarding the suitability of the offered gift.
 - ii. Staff shall review all other aspects of the offered gift with appropriate professional judgment and due diligence, paying special attention to the source of the gift and the nature and character of any property or other assets owned by the partnership or limited liability entity.
 - iii. Staff shall seek review of the offer by legal counsel and determination by counsel that the offered gift is within the expected parameters of such an offer and has no unusual features or liabilities that bear further scrutiny.
 - iv. The Foundation may take measures, such as establishing an LLC, to hold the asset.
 - v. At the conclusion of these steps, if staff determines that it is in the interest of the Foundation to accept the offered gift, they will present their findings to the Gift Acceptance Committee, which shall then make its recommendations to the Executive Committee.
- d. Real Property. The Foundation may receive, collect, hold, manage, care for, and dispose of real property. Gifts of real property may include remainder interests of oil, gas, and mineral interests. When offered a gift of real property, the Foundation may request that the prospective donor pay for expenses or provide documents associated with the property, which may include:
- i. A qualified appraisal, in accordance with IRS regulations;
 - ii. A survey and title policy;
 - iii. A written environmental audit report;
 - iv. Transaction costs, including taxes, assessments, and attorneys' fees; and
 - v. An annual cash gift to the Foundation in an amount sufficient to cover any ongoing expenses related to property ownership, including insurance.

The Foundation may also request that the donor indemnify and hold the Foundation harmless against any claims in connection with the donated real property.

- e. Charitable Trusts. The Foundation may accept an interest in a charitable remainder trust or a charitable lead trust. However, the Foundation cannot serve as a trustee or co-trustee where the Foundation is not a beneficiary of the trust.
 - f. Bequests. The Foundation may accept a gift made by will, including by a codicil to an existing will, or other legal mechanism, even if the gift is contingent on one or more future events or circumstances. Any such gift will be considered completed only upon the death of the donor and termination of any other interest in the gifted property.
 - g. Life Insurance. The Foundation may accept a gift of a life insurance policy. While the Foundation's preference is to be named as the beneficiary of the policy, this is not a requirement for ownership. The Foundation's expectation is that the donor makes ongoing contributions to cover premium payments. However, if the donor fails to continue to make such gifts, the Foundation may determine whether to continue the payments, convert the policy to paid up insurance, or surrender the policy for its current cash value or for cash sale to a third party.
 - h. Digital Assets. The Foundation may accept gifts of cryptocurrency through a designated third-party platform.
 - i. Charitable Annuities. Charitable Gift Annuities written in general conformance with the guidelines and published rates of the American Council on Gift Annuities may be written by the Foundation staff after exercising appropriate professional judgment and due diligence.
- 7) Donor Responsibilities. Expenses associated with a donor's gift should be borne by the donor. These expenses may include, but are not limited to, qualified appraisals and professional fees.
- 8) Liabilities. In the event that a contribution or transfer of assets to the Foundation is encumbered, the following conditions must be satisfied:
- a. If the contribution or transfer requires that the property be taken subject to an indebtedness, prior approval by the Executive Committee is required.
 - b. The Foundation should not accept any contribution or transfer that is encumbered by an existing liability in excess of 50% of the fair market value of the property or assets.
- 9) Windfall Gifts. A gift will be considered a windfall gift by the Foundation if it is an unrestricted gift to the Foundation of \$500,000 or more. Should the Foundation receive a windfall gift, the Executive Committee may designate up to 25% of the gift for the Genesis Operating Fund and shall place the remainder of the gift into the Genesis Endowment Fund. The Executive Committee shall designate any unrestricted gift to the Foundation between \$50,000 and \$500,000 for the Genesis Operating Fund and/or the Genesis Endowment Fund, in the proportion the Executive Committee determines. Any unrestricted gift to the Foundation of \$50,000 or less shall be designated for the Genesis Operating Fund.
- 10) Unacceptable Gifts. The Foundation will make every effort to accept charitable contributions from donors. However, it will not accept gifts that:

- a. Violate the terms of this policy;
- b. Violate a federal, state, or other law;
- c. Are too difficult or expensive to administer;
- d. Could create an unacceptable liability or cause the Foundation to incur future unanticipated or anticipated expenses;
- e. Are for purposes that do not further the Foundation's mission;
- f. Could damage the reputation of the Foundation;
- g. Would jeopardize the Foundation's tax-exempt status; or
- h. Provide a donor with goods or services of financial value in exchange for the donor's gift.

Notwithstanding any statement in this Policy to the contrary, the Executive Committee may refuse any proposed gift if it believes that acceptance of the gift presents an undue cost or risk to the Foundation, is not consistent with the mission of the Foundation, or is otherwise not in the best interest of the Foundation.

- 11) Named Gifts. The Gift Acceptance Committee may identify opportunities for named gifts, including the donation amounts associated with any named gifts, and it may make recommendations to the Executive Committee regarding the acceptance or rejection of prospective named gifts. The Executive Committee, in turn, will make its recommendations to the Board. All named gifts must be approved by the Board.

The honoree or honorees of a named gift must be consistent with the overall mission, vision, and values of the Foundation. Should the Board determine that recognition for such a gift is no longer consistent with the mission, vision, and values of the Foundation, it reserves the right to remove or amend the name at any time, in its sole discretion. The provisions under which a name may be removed or amended may be further specified in a separate Gift Agreement, should the Foundation or the donor determine such a document is warranted.

- 12) Reporting. General reporting on the nature and value of gifts accepted shall be made periodically to the Board, but in keeping with standards of donor confidentiality, names of donors will be disclosed only when donors have not requested anonymity, except to the extent that disclosure is required by law.
- 13) Amendments. The Board, in consultation with the Gift Acceptance Committee, must approve any amendment to, or amendment and restatement of, this Policy.