

Temple Sinai

Board of Trustees Meeting

Tuesday, February 16, 2021

Present: Banner, Cutler, Hoffman, Kipp, Lowenthal, Marx, Patashnick, Ruben, Silverman, Watsky

Absent: Kopans

Attending: Bloom, Rabbi Linda, Rabbi Jonathan

Marx called the Zoom meeting to order at 6:40pm

Welcome/Thanks: Michael extended thanks to Sylvia Bloom and the religious school teachers and students for the Tu Bishvat seder; to Wang for another successful film discussion [they are drawing 20 to 30 people an evening], and to all congregants who helped synagogue life run so smoothly during the Rabbis' sabbatical. Michael offered a Birkat Hagomel prayer to welcome the Rabbis back from their sabbatical travels.

Marx announced that NENY Federation's Super Sunday will be on March 14 and they are looking for volunteers for the phonathon. Since the Federation has been so generous and helpful to us as a congregation, it would be fitting if board members could volunteer to help out. As befits the theme of Terumah, it would be a good opportunity to give back for all that we have received.

Minutes: On a motion by Lowenthal/Silverman, the minutes were adopted unanimously.

D'Var: Rabbi Jonathan gave the d'var on Terumah, the parashot of the week .

Nominating Committee: Lowenthal presented the proposed slate for a vote. On a motion by Marx/Lowenthal, we voted unanimously to forward the slate as presented on to the annual meeting for election. [See attachment at the end of the minutes for the complete slate.]

Spring Fundraiser: Following up on last month's discussion, the Board came to the conclusion that it was too late to be planning for another large fundraiser and it would be too confusing with the loan campaign following on its heels. In addition, both of last year's chairs recommended against holding another silent auction at this time. The treasurer felt that we could get along without the money budgeted for this fundraiser. After discussion, we voted unanimously on the following motion by Marx/Watsky: The Spring fundraiser will be postponed for this year.

Endowment Policy: Watsky discussed the proposed endowment policy, the gift policy, and the gift exception policy. These policies are meant to be the guiding policies for our endowment, but

we acknowledge that Life & Legacy is currently our primary endowment vehicle. We discussed the policies and agreed to several changes: Life & Legacy should be mentioned in the policy and the word “community” should be changed to something more specific to Temple Sinai. Marx/Watsky will make the changes and, possibly, we will conduct an email vote before the March meeting. [See attachments below for the wording in the 3 proposed policies.]

Annual Appeal: It was very successful raising over \$50,000 and the numbers of contributors increased over last year. Board members will be writing personal thank you notes to everyone who contributed.

Standing Reports: On file in the office.

Education Director: Bloom reported that Sophie Cohen, a Skidmore student who teaches at Sinai, wrote an article about our transition from traditional religious school to on-line learning for Smartacus. Purim: {Thursday, February 25, 6pm} The Megillah reading will be led by Hebrew School students and the Rabbis. The program will include a Purim Schpiel.

Treasurer: Watsky announced the beginning of work on next year’s budget. Even though dues collection has picked up, we will face a double digit shortfall primarily because of Covid 19. The Renovation Committee with Larry Novik as Chair is being formed. Watsky will be the point person for the Board.

Renovation Planning Capital Campaign: We decided to have the campaign for reducing the loan substitute for the annual Spring Fundraiser for this year. Patashnick explained that the monies would be in a restricted fund and only used to help repay the loan. Patashnick considers \$30,000 a reasonable goal. He posed the question: how do we get new business donors to see it as a potential yearly donation to us rather than a one off gift? He feels we should work to approach new business donors to get them involved with Temple Sinai on an ongoing basis.

Social Justice: Hoffmann explained that this committee is developing an outline to move closer to being an umbrella group with representatives to different organizations. She discussed the monthly EOC dinners that Zeh runs. Because they are take-out only, they had to purchase containers. Hoffmann asked permission to access the liability account to defray expenses for the monthly dinner. *The Board agreed to that.*

On a motion by Patashnick/Hoffmann, the meeting was adjourned at 8:10

Respectfully Submitted

Therese Lowenthal

Secretary

The next Board meeting will be on Tuesday, March 16 at 6:30pm.

Proposed slate of officers/trustees for Temple Sinai

President: Jerry Silverman	1 st term ends June, 2023
Vice President: Ben Gordon	1 st term ends, June, 2023
Secretary: Caroline Seligman	1 st term ends June, 2023
Trustees:	
Alison Eidelhoch-Getz	1 st term ends June, 2024
Matt Kopans	2d term ends June, 2024
Terry Lowenthal	1 st term ends June, 2024
Jerome Mopsik	1 st term ends June, 2024
Beth Novik	1 st term ends June, 2024
Richard Pine	1 st term ends, June, 2024
Lori Zwicker	1st term ends June, 2024
On-going Board [not to be voted on]	
Treasurer: David Watsky	1 st term ends June, 2022
Trustees:	
Amos Cutler	1 st term ends June,2023
Cheryl Hoffman	1 st term ends June, 2023
Mel Patashnick	1 st term ends June, 2022
Robyn Silverman	1 st term ends June, 2023

TEMPLE SINAI ENDOWMENT POLICIES

I. GENERAL ENDOWMENT POLICIES

A. Purpose

The Board of Trustees of Temple Sinai recognizes the importance of establishing policies for the creation and management of endowed gifts to Temple Sinai Endowment to ensure fiscal integrity, accountability, transparency, and to support donor investment in Temple Sinai's long-term mission and vision.

A-1. Role of Endowment. The Temple Sinai Endowment holds funds committed to Temple Sinai's charitable mission and vision to ensure its ability to make long-term investments in its charitable mission. Temple Sinai's endowment represents permanent operating reserves created through engaging its donors funding long-term solutions to the community's greatest human services needs. Endowed funds allow Temple Sinai to execute key strategies, sustain services through economic downturns that increase need and limit resources, and to act quickly when opportunities to meet critical community needs arise. Temple Sinai encourages individual donors, corporate donors, and foundation donors to establish permanent funds as a part of its endowment to benefit and further the mission of Temple Sinai.

A-2. Role of Policies. These endowment policies are designed to define the standards for acquisition, administration, and management of endowed gifts. These policies anticipate the most common issues encountered in developing and managing endowed gifts. In the event these policies do not anticipate a specific gift issue, the Endowment Oversight Committee, as described in Section I-C, shall determine the recommended course of action.

B. Endowment Definitions

B-1. Endowment Funds. Endowed funds are those funds committed to the long-term or perpetual use of Temple Sinai where the principal is invested and the earnings from the gift are used to fund areas of interest directed by the donor and approved by the Board of Trustees in the case of restricted endowments, or for the purposes designated by the Board of Trustees in the case of unrestricted endowments. The endowment pool will hold two types of endowed funds: true endowment and quasi-endowment.

[a] True Endowment. True endowment is any gift where the donor, in writing, directs the principal of the gift to be invested and the earnings to be used for Temple Sinai's restricted or unrestricted purposes. This written restriction on use of principal may be in the form of a letter, other written instruction accompanying the gift, written instruction on a pledge card, endowment agreement, bequest under will, testamentary gift under a revocable or living trust agreement, or similar written direction.

[b] Quasi Endowment. A quasi endowment is a gift contributed to Temple Sinai without endowment restriction which is subsequently allocated to endowment at the direction of the Board. Funds allocated

to the endowment by the Board can be withdrawn or recharacterized by the Board at a later date or otherwise expended in accordance with Section V. (C) of these policies.

B-2. Separately-Accounted Funds. Separately-accounted funds are those funds requiring separate accounting of principal and income of the funds, and in some cases an alignment of that fund's income with the purposes stated by the donor. Due to the cost of separate fund accounting, alignment of income and oversight to ensure the funds are spent for the purpose intended, and annual accounting to the donor, the endowment policies herein require such funds to meet minimum funding levels.

B-3. Pooled Endowment Funds. Pooled endowment funds refers to the pooling of contributions from multiple donors for a single purpose. This purpose may be as narrow as a specific area of interest or as broad as the unrestricted use of Temple Sinai. Donors to pooled funds do not receive an accounting relating to their contributions although they do receive an annual report of the impact of the pool.

B-4. Endowment Naming Opportunities. A donor creating a separately accounted fund may associate his name, or a name selected by the donor and approved by Temple Sinai, to the separately accounted fund. In addition, Temple Sinai may allow a donor to associate his name with a pooled fund at certain contribution levels.

B-5. Unit Accounting. To the extent possible, endowment gifts are pooled, or combined, in Temple Sinai's general endowment pool for investment purposes. Unit accounting is employed to track separately accounted funds and pooled funds by assigning a value to units and allocating units to each fund depending on its value. Unit accounting allows Temple Sinai to allocate investment gains, investment losses, investment income, and investment and administrative fees.

B-6. Uniform Prudent Management of Institutional Funds Act. Charitable endowments for New York nonprofits are governed by the New York Prudent Management of Institutional Funds Act. Under this statute, "endowment fund" is defined as "an institutional fund or part thereof that, under the terms of a gift instrument, is not wholly expendable by the institution on a current basis." The term does not include assets that Temple Sinai designates as an endowment fund for its own use.

C. Endowment Oversight Committee

C-1. The Role of the Endowment Oversight Committee. The role of the Endowment Oversight Committee is to:

- Ensure systems and practices align to create a swift review, acceptance, establishment, reporting, and stewardship of endowed funds in accordance with the policies set out herein;
- Maintain ongoing and accurate information about new funds established on behalf of Temple Sinai;
- Ensure appropriate and timely communication with all areas of Temple Sinai involved in endowment review, acceptance, administration, reporting, and stewardship; and
- To resolve roadblocks, answer questions, and address issues as they arise.

The Endowment Oversight Committee is the responsible authority for oversight and management of the endowment and for final approval of all new funds.

C-2. Members of the Endowment Oversight Committee. The Endowment Oversight Committee should be comprised of the following members or individuals (or individuals delegated by these members):

- Chair of the Board Endowment Committee (hereinafter “Endowment Chair”)
- Temple Sinai President (hereinafter “President”)
- Temple Sinai Treasurer (hereinafter “Treasurer”)
- Such other members as are appointed by the President

C-3. Meetings. The Endowment Oversight Committee will initially meet to draft and adopt these policies and to make a recommendation that the policies be adopted by the Board of Trustees. Thereafter, the group will meet as required to resolve issues and review progress in building endowment, but no less than semi-annually.

II. CREATING ENDOWED FUNDS

A. Endowment Structure

A-1. Goals of Endowment Structure. A well-structured endowment not only communicates the impact of expenditures, but provides a method for donors to designate gifts to specific areas, without limiting the use of the gifts through narrow restrictions.

A-2. Area of Endowment Giving. The endowment will be divided into two (2) sectors as set out below:

[a] Greatest Needs (Unrestricted)

- Unrestricted funds to be allocated by the Board annually to the greatest, most urgent needs of the organization (including operations)

[b] Building

A-3. Pooled Funds for Each Category. Each of the two areas of interest will be established as a separately-accounted pool to allow donors at any gift level to make gifts to the pool. Those gifts may be used for any purpose within that designated area as the Board of Trustees deems appropriate. Donors may create named funds within a sector in accordance with B-5(b) and may create separately accounted funds within a sector in accordance with B-5(a).

B. Establishing a New True Endowment Fund

B-1. General Guidelines. New endowments benefiting Temple Sinai should meet the following general requirements:

- The endowment purpose must fit within and fulfill Temple Sinai’s mission and purpose;
- The endowment terms must fall within the policies set out in this section, or be approved by the Endowment Oversight Committee as an exception;

- Temple Sinai must be able to manage the endowment on a cost-effective basis and to administer the fund in accordance with the terms of the endowment agreement;
- When possible, the endowment should be governed by a document that clearly defines the gift purpose and provides long-term, non-judicial flexibility in the event circumstances change over the term of the agreement, provided, however, such documents may not be possible where endowed gifts are created through a deferred gift about which Temple Sinai had no knowledge.

B-2. Fiduciary Responsibility. The Board of Trustees has a fiduciary responsibility for acceptance, oversight, and management of endowed funds subject to New York law and applicable federal laws. The new account acceptance process is designed to ensure Temple Sinai meets all fiduciary, legal, and administrative requirements of the gift, that the donor is provided all relevant information about the use of the gift, and to encourage and support donors in making endowed gifts to Temple Sinai.

B-3. Maintaining the Balance of Interests on Gift Acceptance. Temple Sinai should balance the needs of Temple Sinai and the interests of the donor in acceptance of endowed gifts.

[a] The Needs of Temple Sinai. Temple Sinai's goal is to ensure that:

- All new endowments support Temple Sinai in furtherance of its missions and programs;
- All new endowment documents will be structured in a way that Temple Sinai can administer and manage on a cost-effective basis;
- All assets contributed to fund endowed funds can be reduced to cash and invested in a cost-effective manner, and do not create potential liability for Temple Sinai upon acceptance;
- Donors understand the terms of the endowment and that those terms are reduced to writing; and
- That Temple Sinai has long-term, non-judicial flexibility to adjust the terms of the endowment if the purpose specified becomes impractical, impossible, or too small to administer effectively.

[b] The Interests of the Donor. Donors who make endowed gifts to Temple Sinai support the long-term growth of its programs and services, and generally have specific personal goals as well. Temple Sinai shall make the process of creating a permanent endowment:

- As transparent as possible, explaining to the donor how the gift will be used, the timing of distributions from the fund, accounting, if any, that will be provided, and a sample document containing this information;
- As positive as possible, reflecting the gratitude for the donor's gifts;
- As supportive as possible, providing information as requested about structure and the assets to be used to fund the endowment on a timely basis, providing sample documents or other requested information and encouraging them to consult with their personal advisors for information and advice; and
- As timely as possible.

B-4. Approval of New Endowed Funds. All endowment documents must be signed by:

- The Donor
- The Endowment Chair
- The President

B-5. General Standards for Minimum Fund Sizes. Temple Sinai's Board of Trustees recognizes it is not feasible to accept separately accounted endowment gifts that are so small the costs to administer and account for the funds would exceed the charitable distributions from such funds. Therefore, the following minimums govern new endowed funds:

[a] Minimum Size for Separately-Accounted Funds. The minimum size for new endowment funds requiring a separate accounting and alignment of income is \$50,000. These funds will require separate financial tracking and alignment of the fund's income with the purpose designated.

[b] Minimum Size for Named Funds. The minimum size for new endowment funds requiring no separate accounting but reporting the donor's name(s) in each year's endowment report is \$35,000

[c] Minimum Size for All Other Gifts. Endowment contributions less than \$35,000 must be contributed to a pooled fund sector. All undesignated gifts shall be allocated to the unrestricted sector which can be used for the areas of greatest need as determined by the Board of Trustees.

[d] Exceptions. Exceptions to these minimums may be made only by the Endowment Oversight Committee.

B-6. Contributions to Existing Funds. Contributions to existing funds may be made in any amount. Such contributions will be governed by the document governing the fund to which the additions are made. Donors contributing to existing funds may do so using a Letter of Agreement that directs the contribution to a specific fund, subject to the terms of that document.

C. Funding Quasi-Endowment

Temple Sinai may fund quasi-endowment in several ways:

C-1. Allocation of a Portion of Deferred Gifts. Temple Sinai will allocate 50% (or more if so designated by the Finance Committee) of all undesignated deferred gifts such as bequests, charitable trust distributions, IRA beneficiary designations, and similar gifts triggered by the death of the donor to Quasi-Endowment. The balance of these undesignated deferred gifts will be allocated to the Operating Reserve.

C-2. Allocation of a Portion of Large Gifts Made During the Year. Occasionally, Temple Sinai will receive a large gift made by a donor upon the sale of a business, retirement, or other financial triggering event. The Finance Committee, with the approval of the Board, may allocate a portion of this gift to quasi-endowment.

C-3. The Sale of a Capital Asset. Occasionally, Temple Sinai may sell an asset without the need to reinvest such asset in similar property. The Finance Committee, with the approval of the Board, may allocate all or part of these proceeds to quasi-endowment.

C-4. Donor Allocation. Donors may choose to allocate gifts to quasi-endowment.

D. Use of Endowment Agreement for Separately-Accounted Funds

D-1. General Intent. Endowment donors who create separately-accounted funds should use Temple Sinai's Endowment Gift Agreement, which is attached to these policies as Appendix A. Such an agreement has the advantage of clearly defining the donor's goals and expectations in creating the gift, stating the purposes for which the fund's revenue will be applied, and providing flexibility for change or early termination as necessary. Temple Sinai's attorneys will be responsible for drafting and publishing such sample documents for donors and their advisors.

D-2. Elements of the Endowment Agreement. The endowment agreement should contain the following elements:

- Name of donor(s)
- Name of fund or name of pooled fund
- Date of agreement
- Term of agreement
- Purpose of fund use (as broadly stated as possible to allow perpetual use of the funds), purposes for which funds may be dispersed, and discretion to approve distributions
- Manner and schedule for funding
- Ability to add funds to endowment (and requiring that those funds are administered in accordance with the document)
- Ability to pool investments (state law allows)
- Administration of funds
- Manner of amendment
- Philanthropy Protection Act of 1995
- Contingency language stating that when the specified purpose becomes illegal, impractical or can no longer be carried out or meet the needs of Temple Sinai the Board of Trustees may designate an alternate charitable use, and that the funds can be transferred to an endowment fund that reflects most closely the donor's gift goals, or to Temple Sinai's general endowment.

D-3. Language Not Permitted. Documents will not be accepted that allow the donor, or an individual named by the donor, to retain the right to direct, approve, or otherwise influence investment decisions after the gift is complete.

III. STEWARDSHIP STANDARDS

A. The Role of Stewardship

Stewardship of endowment donors and donors who make deferred gift commitments to endowment is of paramount importance in ensuring accountability of the gift purpose, increasing the gift satisfaction of donors, and maintaining ongoing relationships with donors.

B. Annual Stewardship Plan

Temple Sinai's Endowment Chair, working with the Treasurer, shall create an annual stewardship plan for current and deferred endowment donors.

B-1. Annual Reporting and Communications. Temple Sinai is committed to reporting to its donors and the general public about its endowment. For this purpose, Temple Sinai will include endowment information in an annual endowment report, and in other forms as appropriate.

[a] Annual Endowment Report. An annual endowment report shall be prepared for donors, donor families, endowment prospects, and the interested public. This report may be prepared as a stand-alone report or a subset of the Temple Sinai annual report (if applicable).

- The endowment's net assets and investment return for the prior five years starting January 1, 2020, highlighting the current year return;
- The market value of each endowment sector and the endowment as a whole;
- The fund names associated with each endowment sector;
- Information for donor advisors that includes contact information, one or more sample endowment agreements (approved by Temple Sinai's attorneys), and areas of need;
- The case for endowment;
- A list of current year endowment donors;
- A report of endowment spending for the year with a focus on the impact of those distributions; and
- Such other information as is necessary to fully disclose endowment spending and creation.

C. Annual Contact with Living Donors for Separately Accounted Funds

The Temple Sinai stewardship plan should contain, at a minimum, the following activities for living donors with separately-accounted funds; stewardship will be provided by the individual assigned by the Endowment Chair.

- A Temple Sinai annual endowment report
- A personalized letter reporting the fund balance and the impact of the fund for that year, signed by the President
- At least one phone call from a program staff member at Temple Sinai to say "thank you" to the donor
- At least one phone call from the planned giving team to say "thank you to the donor" and to ensure that donor has the information he or she needs to monitor the fund performance
- Such other materials or activities as are appropriate

D. Annual Contact with Living Donors with Named Funds

The Temple Sinai stewardship plan should contain, at a minimum, the following activities for living donors with named funds.

- A Temple Sinai annual endowment report
- A personalized letter reporting the general impact of the spending from the endowment sector for that year signed by an individual associated with that sector
- At least one phone call from planned giving team to say “thank you to the donor” and to ensure that donor has the information he or she needs to monitor the fund performance
- Such other materials or activities as are appropriate

E. Annual Contact with Current Donors to Endowment with Neither Named Nor Separately Accounted Funds

The Temple Sinai stewardship plan should contain, at a minimum, the following activities for donors to endowment with neither named nor separately accounted funds who have made gifts of \$10,000 or more stewardship will be provided by the individual assigned by the Endowment Chair.

- A Temple Sinai endowment annual report
- Such other materials or activities as are appropriate

F. Annual Contact with Families of Deceased Donors with Separately Accounted or Named Funds to Endowment

- A Temple Sinai annual endowment report
- A personalized letter reporting the fund balance and the impact of the fund for that year, signed by an individual associated with the relevant endowment sector
- Such other materials or activities as are appropriate

IV. INVESTMENT MANAGEMENT POLICIES FOR ENDOWED FUNDS

A. Responsibility for Management of Endowed Funds

The Board of Trustees has designated responsibility for oversight of the investment management of endowed funds to the Finance Committee of the Board of Trustees. The Finance Committee may decide to hire local managers to provide investment management of the funds.

B. Related Policies

In the event the Finance Committee decides to use local managers for investment of the endowment funds, the Finance Committee shall create investment policies governing the management of those funds and shall submit them to the Board for approval. These policies will then be shared with the investment managers with responsibility for the funds to provide guidance in investment decisions.

C. Unit Accounting

Temple Sinai pools all endowed funds over which it has ownership and control, unless otherwise prohibited by the gift document, to achieve the most effective, efficient, diversified, long-term management of the funds. When endowed assets are received, these new assets are assigned units in the pool based on the unit value on date of entry.

D. Spending Policy

D-1. Purpose. The Temple Sinai Endowment Oversight Committee has authorized the adoption of a spending policy which is designed to protect Temple Sinai's budget from the vagaries of year-to-year fluctuations in market returns, changes in yields from year to year that result from changes in interest rates, dividend levels, and pay-out rates, and provide for a gradual increase in spendable earnings from year to year. Adoption of this policy is in accordance with the New York Prudent Management of Institutional Funds Act and designed to protect the historic dollar value of the endowment.

D-2. Spending Calculation. Each year the Finance Committee will recommend a spending amount expressed as a percentage of the average market value of the endowment pool over the prior 12 quarters. This percentage shall take into consideration the standards set out in the New York Prudent Management of Institutional Funds Act.

D-3. Determination of Annual Distribution. The Finance Committee will set the distribution amount within the spending policy set out above by March 1st of each year in order to allow Temple Sinai prepare a budget for the year.

D-4. Undistributed Accounting Income. Any undistributed accounting income should be added to the corpus of the fund generating such income at the conclusion of each year.

D-5. Distribution Cycle. Distributions from endowment funds may be made on any cycle deemed appropriate to achieve the purpose of the funds and reduce administrative costs and oversight.

V. DECISIONS ABOUT DISTRIBUTIONS FROM ENDOWED FUNDS

A. Distributions from True Endowment Limited to Annual Spending Amount

Distributions from true endowments, which are funds restricted to endowment in writing by the donor, shall not exceed the annual spending amount set by the Board.

B. Distributions from Pooled Funds for Specific Endowment Sectors

B-1. Funds to Which This Section Applies. Donors may designate gifts of less than \$50,000 to one of two specific program sectors (or an undesignated sector) under Section A A-3 of these policies. These funds are managed as a pool for the named sector. This section applies to distributions from each of the two specific program sector pools.

B-2. Recommendations on Spending. The Division Director aligned with each specific sector shall be notified of the pool spending amount and asked to make recommendations on how that sectors funds will be spent. Spending recommendations should reflect Temple Sinai priorities, new programs, or other spending representing key, unfunded budget items. These recommendations shall be made by March 1 of each year.

B-3. Approval of Spending. Spending recommendations shall be approved by the President and reported to the Board at its next regular meeting.

C. Distributions from Quasi-Endowment

To the extent possible, annual distributions from quasi-endowment - which are funds allocated to endowment by the Board - shall not exceed the annual spending amount set by the Board. However, in the event of special circumstances such as those detail below should arise, distributions of up to 35% of the quasi endowment fund upon approval of a majority of the Board of Trustees.

- The Board of Trustees wants to acquire an agency to deliver one or more critical services;
- The Board of Trustees wants to borrow from quasi-endowment to purchase real estate essential to its mission;
- Temple Sinai is experiencing an extreme budget shortfall due to economic conditions or other unforeseen circumstances; or
- Such other extreme situation that could not be anticipated. Quasi endowment shall not be spent down as part of a regular annual budget-balancing distribution from funds.

VI. CHANGES TO THESE POLICIES

A. Annual Review of Endowment Policies

The Endowment Oversight Committee shall make an annual review of these endowment policies on a schedule set by the Committee and make any recommendations for change to the Board of Trustees no later than March 31 of each year.

B. Approval by the Board of Trustees

All changes recommended by the Endowment Oversight Committee shall be presented to the Board of Trustees at its next regularly scheduled meeting, considered, and approved as appropriate.

GIFT ACCEPTANCE POLICIES FOR TEMPLE SINAI

Temple Sinai, a nonprofit organization headquartered in Saratoga Springs, NY, encourages the solicitation and acceptance of gifts to Temple Sinai for purposes that will help Temple Sinai further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to Temple Sinai or for the benefit of the Temple Sinai Endowment Fund or any of its programs.

I. Purpose of Policies and Procedures

The purpose of this document is to set forth the criteria that Temple Sinai and its Gift Exceptions Committee use to determine that a proposed gift is acceptable and to inform prospective donors and their advisors of the types of gifts Temple Sinai accepts. While these guidelines establish best practices, they are designed to provide flexibility as directed by the Gift Exceptions Committee.

II. Use of Legal Counsel

Temple Sinai seeks the advice of outside legal counsel as appropriate on matters relating to acceptance of gifts. Review by legal counsel is usually sought in connection with:

- a. Closely held stock transfers that are subject to restrictions or buy-sell agreements
- b. Documents naming Temple Sinai as Trustee
- c. Gifts involving contracts or other documents requiring Temple Sinai to assume a legal obligation
- d. Transactions with potential conflict of interest that may invoke IRS sanctions
- e. Other instances in which use of counsel is deemed appropriate by Temple Sinai's Board of Trustees or Gift Exceptions Committee.

III. Communications with Donors

Temple Sinai 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.

IV. Conflict of Interest

Temple Sinai does not provide personal legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Temple Sinai endorses the Model Standards of Practice of the Charitable Gift Planner promulgated by the National Committee on Planned Giving and the Donor Bill of Rights promulgated by the Association of Fundraising Professionals.

V. Restrictions on Gifts

Unrestricted gifts and gifts for specific programs and purposes may be accepted, provided they are consistent with Temple Sinai's mission, purposes and priorities. Temple Sinai will not accept gifts that are inconsistent with its mission, purposes or priorities or are judged too difficult to administer.

VI. The Gift Exceptions Committee of Temple Sinai

The Gift Exceptions Committee will review all non-marketable gifts to Temple Sinai, and those gifts referred to it by the Temple Sinai President. The Gift Exceptions Committee consists of the following individuals:

- Temple Sinai President
- Temple Sinai Treasurer
- A Representative of the Board of Trustees
- Legal Counsel

The Gift Exceptions Committee is responsible for regularly reporting its decisions on gift acceptance to the Board of Trustees. The Committee is also responsible for reviewing these Policies and Procedures at least annually or more often as needed to ensure that they remain consistent with applicable laws and the programs of Temple Sinai.

VII. Types of Gifts

A. The following gifts may be considered for acceptance by Temple Sinai:

1. Cash
2. Tangible personal property, including in-kind gifts
3. Securities
4. Real estate
5. Life insurance
6. Charitable gift annuities
7. Charitable remainder trusts
8. Revocable trust agreements
9. Charitable lead trusts
10. Retirement plan beneficiary designations
11. Bequests
12. Life insurance beneficiary designations

B. The following criteria apply to the acceptance of gifts in these categories.

1. Cash: Cash may be accepted in any negotiable form. Checks must be made payable to Temple Sinai and should be delivered or mailed to Temple Sinai's administrative office at 509 Broadway, Saratoga Springs, NY 12866.

2. Tangible Personal Property: Temple Sinai will accept tangible personal property gifts valued at \$6,000 or greater if the gift will generate adequate revenue for the organization, and meet the purposes for which the gift is intended. In assessing the appropriateness of the gift, Temple Sinai should address the following questions:

- Is the property marketable? What is the market for and costs of transportation to market and sale?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs (insurance, storage, ongoing maintenance) for the property?

3. Securities: Temple Sinai can accept both publicly traded securities and closely held securities.

Publicly Traded Securities: Marketable securities will be transferred to an account maintained at a brokerage firm or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities will be sold upon receipt unless otherwise directed by the Finance Committee of Temple Sinai. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities may be made by the Gift Exceptions Committee of Temple Sinai.

Options and Other Rights in Securities: The following questions apply to acceptance of warrants, stock options and stock appreciation rights:

- Is Temple Sinai required to advance funds upon exercise of the gift? If so, does Temple Sinai have the required funds?
- Is Temple Sinai at risk of loss of funds in accepting the gift?
- Are the rights restricted? And if so, does the restriction affect the ability of Temple Sinai to dispose of the asset? Does the restriction materially impact the value of the gift to Temple Sinai?
- Will acceptance of the gift and/or exercise of the option trigger any tax consequences to the donor?

Closely Held Securities: Proposed gifts of closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in LLPs and LLCs or other ownership forms, will be reviewed by addressing the following questions:

- What type of entity is represented by the gift? (For example, C Corporation, S Corporation, LLC, LLP.)
- Will the security generate unrelated business taxable income to Temple Sinai? If so, does Temple Sinai have the funds to pay this tax?
- Will the gift trigger any negative tax consequences to the donor? If the donor is unsure, please advise him/her to talk with his/her accountant.
- Are there restrictions on the security that would prevent Temple Sinai from ultimately converting those assets to cash?
- How does the company operate? Does its operation of the gift interest create liability for Temple Sinai?

- Is the security marketable? If so, what is the market for sale, and estimated time required for sale?

If potential problems arise on initial review of the security, further review and recommendations may be sought from an outside professional before making a decision whether to accept the gift. Every effort will be made to sell non-marketable securities as quickly as possible.

4. Real Estate: Temple Sinai will consider real property gifts with a market value of \$50,000 or greater. Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, Temple Sinai requires an initial environmental review of the property to ensure that the property is free of environmental damage. In the event that the initial inspection reveals a potential problem, Temple Sinai may retain a qualified inspection firm to conduct an environmental audit. The prospective donor must bear the cost of the initial environmental review and any subsequent environmental audit. When appropriate, a title binder shall be obtained by Temple Sinai prior to the acceptance of the real property gift. The cost of the title binder will be borne by the donor.

The following criteria applies to gifts of real estate:

- Is the property useful for the purposes of Temple Sinai?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the audit reflect that the property is free of environmental damage?

5. Life Insurance: Temple Sinai must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. If the donor contributes future premium payments, Temple Sinai will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, Temple Sinai may:

- continue to pay the premiums,
- convert the policy to paid up insurance, or
- surrender the policy for its current cash value

Once the policy is accepted, life insurance holdings will be reviewed annually to determine whether it is best to continue to pay the premiums, convert the policy to paid up insurance, surrender the policy for its current cash value, or change the underlying investment structure.

6. Charitable Gift Annuities: Temple Sinai offers both current and deferred charitable gift annuities to its donors. The minimum funding amount is \$10,000. Temple Sinai adheres to the rates set by the American Council on Gift Annuities. The minimum age for current life income beneficiaries of a gift annuity shall

be 65, and the minimum age for a deferred charitable gift annuity is age 55. No more than two life income beneficiaries will be permitted for any gift annuity.

Annuity payments may be made on a quarterly, semi-annual, or annual schedule. Temple Sinai will accept only cash or marketable securities for current annuities, and will consider real estate or closely held stock for deferred gift annuities with a deferral period of five years or more, with the approval of the Gift Exceptions Committee.

7. Charitable Remainder Trusts: Temple Sinai encourages its donors to name the organization as a remainder beneficiary of a charitable remainder trust and will work with its donors to structure such agreements. However, Temple Sinai will not serve as trustee of a charitable remainder trust and will instead encourage the donor to use a professional fiduciary.

8. Revocable Trust Agreements: Temple Sinai encourages its donors to name the organization as a beneficiary of all or a portion of a revocable trust agreement. However, Temple Sinai will not serve as trustee of a revocable trust agreement and will instead encourage the donor to use a professional fiduciary.

9. Charitable Lead Trusts: Temple Sinai may accept a designation as income beneficiary of a charitable lead trust. Temple Sinai will not accept an appointment as Trustee of a charitable lead trust.

10. Retirement Plan Beneficiary Designations: Donors and supporters of Temple Sinai will be encouraged to name Temple Sinai as beneficiary of their retirement plans. Such designations will not be recorded as gifts to Temple Sinai until such time as the gift is irrevocable.

11. Bequests: Donors and supporters of Temple Sinai will be encouraged to make bequests to Temple Sinai under their wills and trusts. Such bequests will not be recorded as gifts to Temple Sinai until such time as the gift is irrevocable.

12. Life Insurance Beneficiary Designations: Donors and supporters of Temple Sinai will be encouraged to name Temple Sinai as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to Temple Sinai until such time as the gift is irrevocable.

VIII. Miscellaneous

A. Securing appraisals and legal fees for gifts to Temple Sinai: It will be the responsibility of the donor to secure an appraisal (where required) and the advice of independent legal, financial or other professional advisers as needed for all gifts made to Temple Sinai.

B. Valuation of gifts for development purposes: Temple Sinai will record a gift received by Temple Sinai at its valuation for gift purposes on the date of gift.

C. Responsibility for IRS Filings upon sale of gift items: The Treasurer's office is responsible for filing IRS Form 8282 upon the sale or disposition of any non-marketable asset sold within three years of receipt

by Temple Sinai when the charitable deduction value of the item is more than \$5,000. Temple Sinai must file this form within 125 days of the date of sale or disposition of the asset.

D. Acknowledgement of all gifts made to Temple Sinai and compliance with the current IRS requirements in acknowledgement of such gifts is the responsibility of the Treasurer of Temple Sinai or his/her designee. IRS Publication 561 Determining the Value of Donated Property and IRS Publication 526 Charitable Contributions provide excellent guidance and can be downloaded from www.irs.gov.

E. Disclosure provided for pooled funds. Temple Sinai will provide all appropriate disclosures as required by the Philanthropy Protection Act of 1995 for gifts contributed to pooled funds.

Adopted by : _____ on _____.

Appendix A
TEMPLE SINAI ENDOWMENT GIFT AGREEMENT

THIS AGREEMENT made and entered into this _____ day of _____, 20____, by and between _____, hereinafter referred to as the "Donor", and Temple Sinai, a nonprofit corporation organized and located in Saratoga Springs, New York.

WITNESSETH:

WHEREAS, the Donor has transferred and delivered to Temple Sinai the cash or property set out on Schedule A of this document to be held, invested and reinvested by Temple Sinai in the manner set forth herein; and

WHEREAS, Temple Sinai has accepted the donation for the purposes and under the considerations hereinafter set forth;

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties do agree as follows:

1. The donation is transferred and delivered to Temple Sinai for the purpose of establishing the Temple Sinai Endowment Fund (the "Endowment.") and is to become an asset of Temple Sinai and to be governed by the Articles of Incorporation for Temple Sinai, and By-Laws of that organization, as amended from time to time.
2. The original contribution and any and all additional gifts subsequently transferred to Temple Sinai either by the Donor or other interested contributors shall be held, invested and reinvested in the manner hereinafter set forth in paragraph 6.
3. The Donor requests that an annual distribution be made from the fund for the purposes described in paragraph 4. The amount of this annual distribution may be set by the Board of Directors of Temple Sinai in accordance with a general endowment spending policy of Temple Sinai. It is the intent of the Donor that the fund annually distribute a percentage of the annual market value of the fund (as determined by the Board of Directors), to include earned income and realized and unrealized gain, and that the corpus of the endowment will remain and grow in perpetuity.
4. The purpose of the Endowment is to provide unrestricted funds to be allocated by the Board of Trustees annually to the greatest, most urgent needs of Temple Sinai.
5. Should Temple Sinai lose its tax-exempt status as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (hereinafter the "Code") and as an organization that is not a private foundation within the meaning of Section 509(a) of the Code, or otherwise cease to exist, the Board of Directors of Temple Sinai shall distribute all assets remaining in the Endowment to its 501(c)(3) tax-exempt successor in interest so long as that successor is not a private foundation within the meaning of Section 509(a) of the Code to be used for the purposes outlined in paragraph 4. Should the successor

in interest lose its tax-exempt status described in Section 501(c)(3) of the Code and as an organization that is not a private foundation within the meaning of Section 509(a) of the Code or otherwise cease to exist, then all assets remaining in this fund shall be distributed outright to charitable organizations qualified as 501(c)(3) organizations under the Internal Revenue Code that have purposes as similar as possible to those purposes listed in paragraph 4.

Should the purpose for which this Endowment is established cease to exist, represent a need so that the Board of Directors are unable to find purposes for use of such funds, or become impractical or too difficult to administer, then the Board of Directors, by majority vote, shall have the power to redirect the funds held in this Endowment for a purpose or purposes as similar as possible to the original intent of the Donor.

6. Temple Sinai hereby accepts the property contributed to the Endowment and will hereafter invest it in accordance with the investment policies and procedures of Temple Sinai. Temple Sinai in its sole discretion is authorized to sell, exchange, or otherwise dispose of any securities or other property held by it at any time hereunder and to deliver such instruments as may be required by either a transfer agent, exchange, or other entity effecting such transfer. These assets may be pooled with other like assets in order to facilitate an orderly and cost-effective management of assets for the organization. In addition, assets held by Temple Sinai may be transferred to a Foundation created to support Temple Sinai and its programs (upon a vote of its Board of Directors) if such transfer facilitates an orderly and cost-effective management of assets. Temple Sinai is authorized to use such methods as it deems necessary or advisable for the investment, sale, exchange, or transfer of any security held hereunder and to pay reasonable compensation and expenses in connection with the performance of said services. Temple Sinai shall have the sole power to determine its investment policies and procedures and to decide any and all questions in connection therewith.

7. Temple Sinai may hire agents to provide investment advice, administrative management, and tax preparation as are reasonable and necessary to carry out its duties. Fees and expenses for these services shall be charged first against the income of the Endowment, and then the fund principal on a pro-rata basis against all funds held in Temple Sinai together with any necessary administrative costs of Temple Sinai in managing these assets.

8. This Agreement shall be irrevocable and the Donor hereby expressly acknowledges that he/she shall have no right or power either alone or in conjunction with others and in whatever capacity to revoke or terminate this Agreement; provided, however, nothing herein contained shall be interpreted so as to prevent the Donor from making further contributions to this Endowment.

9. Investment funds managed by Temple Sinai are exempt from the registration requirements of the federal securities laws pursuant to the exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995 (PL 104-62). Information on the investment of those funds was provided to the Donor upon execution of this document.

10. This constitutes the full and complete agreement by and between the parties and all oral agreements and/or discussions are merged herein and are null and void to the extent that they are in conflict with the terms of this document. In no event shall this Agreement be treated or interpreted as creating a separate trust. No changes, alterations, additions, modifications, or qualifications shall be made or had in the terms, conditions, or provisions of any paragraph or item of this Agreement. Nor shall any amendment, modification or alteration be permitted that would result in this Endowment being treated as a separate trust or that would affect the status of Temple Sinai as an organization described in Section 501(c)(3) of the Code and as an organization which is not a private foundation within the meaning of Section 509(a) of the Code.

11. This Agreement shall be governed by, and construed under, the laws of the State of New York. Jurisdiction and venue for all purposes shall be Saratoga County, New York.

12. This Agreement is binding upon the parties hereto, their successors and assigns. IN TESTIMONY WHEREOF WITNESS the signatures of the parties hereto the day and year first above written.

Donor	Date
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Temple Sinai

Endowment Chair	Date
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President	Date
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