

Minnesota Jewish Community Foundation Our Value and Impact

At the Minnesota Jewish Community Foundation (MN JCF), we are building a better world through *tikkun olam*. As one of the largest repositories and conduits for Jewish charitable giving in the Upper Midwest, MN JCF provides the long-term financial underpinnings that ensure our Jewish community's future continuity.

With years of Jewish philanthropic experience under our belts, we provide **individuals and families** with unique expertise, advice and support, valuable tools, and the professional know-how to make their philanthropic giving personalized, thoughtful, and tax beneficial. MN JCF offers a variety of planned giving vehicles, such as donor-advised funds.

Giving through a fund is easy, tax-deductible¹, and grows tax-free over time so you have more to give. You receive your tax deduction each time you add money to your fund and then can donate on your schedule when you want to without reference to the tax year.

We also hold and grow endowment funds for **Jewish organizations**, helping them have a sustained and perpetual stream of income in a cost-effective and collaborative way.

We serve **professional advisors** by helping them learn how to have or elevate their philanthropic conversations with clients. When advisors include philanthropy in their client conversations, they are serving their clients comprehensively, creating deeper relationships with them.

MN JCF currently manages and administers **\$152 million in assets** in approximately 1052 funds for individuals, families, and 14 local Jewish organizations. 32% of the assets are assets of the 16 local Jewish organizations (including the Minneapolis Jewish Federation) that have entrusted MN JCF to oversee investments of their endowment funds.

In 2022, we helped our individual and family fund holders send out over **\$7.3 million** in grants to a variety of non-profits.

Our Value to Our Clients

MN JCF provides unique value and a customized suite of services for each fund holder or family based on their philanthropic goals. As these goals evolve over the client's lifetime, we continuously provide support of their philanthropy.

Jewish Lens and Impact

Jewish Philanthropy	<p>Our unique mission helps our fund holders fulfill <i>tikkun olam</i> and give through a Jewish lens.</p> <p>We are the <u>only</u> entity in our community with the mission to elevate Jewish philanthropy through planned giving.</p> <p>Giving. Your Way.</p>
Jewish Collective Impact	<p>Grants that individuals send out make a positive impact. The total annual granting from our fund holders as a community total in the millions, which are</p>

¹ MN JCF does not give tax, financial, or legal advice. Please consult your professional advisor(s) regarding your specific circumstances.

	<p>send around the world. Not only do you make an impact individually, but you also make an impact as part of the greater MN JCF community.</p> <p>This granting impacts not only the Jewish world, but also the secular world. Grants from the Jewish community have “Jewish” in the name, which says to that secular organization that the Jewish community cares about them.</p>
Keeping it in the Community	<p>100% of what you do through MN JCF is charitable. Making grants to non-profits. Also, the administrative fee is like a donation that goes to another Jewish non-profit; it supports a local Jewish organization and stays within the community, which allows you to maximize your charity. In addition, whenever grants are sent from your fund at MN JCF, they have the word “Jewish” in them, which lets the non-Jewish recipients know that the Jewish community cares about them. We call this the triple mitzvah.</p> <p>This allows us to do the important work in and for our community.</p> <p>In comparison, when you have a fund a corporation or non-Jewish entity, some or all of their fee goes to corporate profits, not to charity.</p>

Investment & Tax Benefits

Administrative Fees	A competitive administrative fee* is charged and funds MN JCF’s expenses, operations, and work.		
	The following are the fee schedules for the different fund types at MN JCF:		
	<u>Fund Type*:</u>	<u>Avg. Daily Fund Balance:</u>	<u>Annualized Administrative Fee:</u>
	\$5K Donor-Advised Fund <i>(\$5,000 minimum opening contribution for someone 45 years or younger or who works at a Jewish non-profit (of any age))</i>	\$5,000- \$10,000	\$90 minimum fee
		\$10,000-\$700,000	1% (100 basis points)
		Next \$1,000,000	0.80% (80 basis points)
		> \$1.7 million	0.65% (65 basis points)
	Donor-Advised Fund <i>(\$10,000 minimum opening contribution)</i>	Up to \$700,000	\$180 minimum fee or 1% of assets (whichever is greater)
		Next \$1,000,000	0.80% of assets

		> \$1.7 million	0.65% of assets
	Designated Fund	Up to \$700,000	\$180 minimum fee
	Perpetual Annual Campaign Endowment Fund		or
	Lion of Judah Endowment Fund		1% of assets
	L'Chaim Fund		(whichever is greater)
	Charitable Gift Annuity		
	Supporting Organizations*		
		Next \$1,000,000	0.80% of assets
		> \$1.7 million	0.65% of assets
	Genesis Mitzvah Fund		1% of assets
	Israel Bond Fund	First \$700,000	0.50% of assets
		Next \$300,000	0.30% of assets
		Next \$9,000,000	0.20% of assets
		Thereafter	0.10% of assets
<p>MN JCF's guiding principle is to charge the lowest administrative fee that, nonetheless, enables MN JCF to effectively support its mission. We periodically review our administrative fee structure to ensure that it remains competitive.</p> <p><i>*The administrative fee is charged monthly based on the average balance of the fund (calculated using the beginning and ending month balances) and deducted directly from your fund in the following month.</i></p> <p><i>*Depending on the asset amount in this type of fund, as laid out in this table, it may be subject to a multi-tiered fee structure.</i></p>			
Tax Benefits	<p>When you donate to a fund, each gift is generally eligible for an immediate tax-deduction.²</p> <p>There are potentially many tax benefits to opening a fund at MN JCF. Donations of appreciated assets (e.g. stocks, bonds, mutual funds, ETF's), will save you from paying capital gains taxes.³</p>		

² MN JCF does not give tax, financial, or legal advice. Please consult your professional advisor(s) regarding your specific circumstances.

³ *Id.*

Strong Investment Performance	<p>We invest your charitable dollars for tax-free growth over time⁴, so you have more money to give to charity.</p> <p>Investment management is conducted by our Investment Committee (IC) is comprised of 6-10 volunteers who are members of the local Jewish community and have a variety of business and professional expertise relating to the investment world.</p> <p>The IC is primarily responsible for: a) developing a risk-related investment strategy to achieve the fund holders' spending policies and needs; b) evaluating and monitoring the investment performance of the portfolios on a regular basis so as to be reasonably assured of their compliance with the Investment Policy Statement (IPS); and c) overseeing the professionals entrusted with providing investment services (Outsourced Chief Investment Officer (OCIO) and asset custodian services).</p> <p>Because we have a large volume of assets, which are pooled together for investment purposes, MN JCF can leverage it to access investment products you may not be able to access if you have a retail brokerage or advisory account.</p>
Investment Options	<p>You choose the investment option for your fund. We offer four (4) investment options to help meet your philanthropic goals, including a Jewish-aligned investment pool and an Israel bond option.</p> <p>Those who have \$500,000 or more in their funds will be able to invest in more than one investment option.</p>

Your One-Stop Philanthropy Shop

Back Office Support	<p>We make it easy!</p> <p>Let us be your one-stop shop for your philanthropy. Acting as your back-office, we save you time by doing the administration of the fund for you.</p> <p>We take care of all investing, accounting, reporting, research, and grant distributions, and maintain records of all transactions, so you can focus on enjoying your philanthropy.</p>
Turn Complex Assets into Donations to Multiple Non-Profits	<p>Many non-profits don't have the ability or experience in processing unusual or complex gifts that can be used to make donations to more than one non-profit; but we do.</p> <p>We can help turn a complex asset (e.g., real estate) into money to grant from your fund.</p>
Statements and Other Important Documentation	<p>Tax Letters. Each time you make a tax-deductible donation to add assets to your fund, we provide you a tax letter for your records.</p> <p>Quarterly Statements. We provide quarterly reporting showing the last quarter and historical picture for your fund (gifts added, grants distributed, etc.).</p>

⁴ Past performance of the investment options does not guarantee future results. More detailed information can be provided upon request.

	<p>Fund Fact Sheet. We provide a comprehensive summary for your specific investment option: asset allocation, investment committee update, performance, returns, and professional market commentary. This is included in every quarterly statement.</p>
Customer Service	<p>Personal service by people who know you. You receive the highest level of personal and timely customer service by people who know you, what you value, and your philanthropic goals.</p>
Compliance	<p>MN JCF's commitment to all its fund holders includes strict compliance with all legal and tax regulations.</p> <p>Our staff places the highest priority on understanding, documenting, and carrying out your philanthropic intent. We have policies, procedures, and third-party oversight to ensure your intentions will be honored now and in the future.</p>
Confidentiality	<p>It is everything. You can choose your level of anonymity by either being included in our list of funds or being completely anonymous. We don't have to even share your fund name with the non-profits to which you give, unless you want us to do so.</p>
Fund Establishment	<p>When you open a fund at MN JCF, we set it up as a separate fund. Any money added to that particular fund is entered as a gift for that specific fund. For each gift you make into the fund, you receive one tax receipt from us to keep track of.</p>
Making Grants	<p>Making grants is streamlined and simple. You add assets into your fund, and we take care of sending your grant recommendations and acknowledgement letters for you.</p> <p>You may add to your fund anytime, recommend grants from the fund at your convenience, and make as many grants as you wish throughout the year.</p> <p><u>Please note that under federal law fund holders have <i>advisory authority</i> (aka, the right to recommend grants), but not legally binding control over the charitable donations. This is because under the law a donation to a charity is an irrevocable gift and the donor retains little authority over the use of expenditure of the funds. In exchange, the donor is entitled to a tax deduction for the donation.</u></p> <p>Therefore, each grant recommendation must be reviewed, vetted, and approved through MN JCF's compliance process. During this process, MN JCF staff shall determine that each grant recommendation:</p> <ul style="list-style-type: none"> a. Is made to a valid 501(c)(3) organization; b. Is consistent with the mission of the Federation; and c. That the distribution complies with current IRS regulations and current law. <p>It is very rare when we are unable to process a grant recommendation vetted through our compliance review. If that occurs, we will get in touch with the fund holder to discuss alternatives.</p>

DonorCentral Website	<p>MN JCF offers 24/7 online access to information about your individual fund through our granting website DonorCentral. This information is confidential and only available to those who have established and/or are an advisor to a fund.</p> <p>You can make grant recommendations (only for DAFs), see your current balance, past giving history, community needs, and other relevant information.</p>
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Advisory Services

Philanthropic Expertise & Advising	<p>Our staff has decades of collective experience in philanthropy and charitable giving practices. We help fund holders create meaningful, personalized, and holistic philanthropic strategies, build consensus among families in their giving, and assist in developing creative solutions to magnify the impact of your giving.</p> <p>If your philanthropic goals change over your lifetime, MN JCF is there to continuously help support those evolving goals. If desired, we will work with your professional advisors to help you reach your tax and estate planning objectives.</p>
Family Philanthropy	<p>A fund is a wonderful opportunity to align your giving with your values, spur family discussions about philanthropy, as well as making giving decisions together. It also provides a vehicle for discussions about your family's values, what is important to you, the kind of legacy you want to leave, how your children can carry on your legacy, as well as how they can make an impact themselves.</p> <p>MN JCF staff partners with you to explore your options for intergenerational discussions and legacy planning, to find the optimal plan for you and your family.</p>
Matchmaking	<p>As a Jewish entity, we are uniquely suited to leverage our relationships and expertise to keep our finger on the pulse of what is happening with the Jewish organizations locally and globally. We also have experience and knowledge about other non-profits in the general community.</p> <p>We consistently strive to match-make our clients with those community needs and organizations. As such, we serve as a conduit between fund holder's charitable interests and the critical needs in our community, in particular those Jewish organizations that house their endowment funds at MN JCF.</p>
Expertise in the Jewish Community	<p>Over 90 years of expertise in the Jewish community (via Federation): we know the Jewish institutions, this community, and the needs inside and out; here and around the world.</p> <p>Leverage our expertise to help you make informed granting decisions. Let us do the research for you to help you decide where to give.</p>
Connect with a Professional Advisor	<p>If you need a financial or wealth advisor, an estate and trust attorney, or accountant, we can connect you with a professional advisor from our Network of Philanthropic Advisors who is dedicated to building relationships and integrating charitable planning as a strategy for achieving clients' goals.</p>