



## Policy on Cantor's Discretionary Fund

**Purpose:** This policy provides for the existence of a restricted fund under the control of the Board and the Cantor, and establishes the controls and guidance for expenditure of those funds. Except in contemplation of a specific, large expenditure, the Cantor shall exercise best efforts to maintain a balance within the fund of less than \$1000.

### Procedures:

1. The Cantor's Discretionary Fund is under the control of the Cantor but is a fund of the Bet Aviv. It is governed by this policy, which follows guidelines for Rabbis from the Central Conference of American Rabbis. The Fund should comply with all relevant tax laws. The Fund cannot be used for the personal benefit of the Cantor and/or his/her family.
2. The Fund should be reviewed yearly by an individual, not necessarily a member of Bet Aviv, such as an attorney or accountant or other appropriate person. This individual should be jointly agreed upon by the Cantor and the Bet Aviv Board to ensure that the Fund is being used in accordance with the prevailing tax laws and the Discretionary Fund policy. Confidentiality is of prime importance and must be maintained by the individual performing the review.
3. In order to keep individual names/beneficiaries confidential, the Cantor should annually report only the general categories disbursed by the Fund to the Bet Aviv membership at the Annual Meeting.
4. The Cantor should have an accountant or a lawyer knowledgeable in tax matters to whom he/she can turn when questions regarding the Discretionary Fund arise.
5. Checks for the fund should be imprinted with the following notation: Cantor's Discretionary Fund, Bet Aviv, with the Cantor's name.
6. All checks deposited into the Fund should be made out to the Fund or to Bet Aviv with a notation that it is for the Discretionary Fund, and not made out to the Cantor personally. Checks notated "choir fund", "music fund" or similar nomenclature that does not specifically state "Cantor's Discretionary Fund" shall go to the General Fund with a directed purpose.
7. Even though the Fund can be used for many worthy purposes, caution should be exercised to prevent the Fund from being used as a mere "pass through." If a donor wants to support a particular program within Bet Aviv (such as "choir") it would be

better to make the contribution directly to the Temple with such notation, rather than through the Cantor's Discretionary Fund.

*Categories for use of money from the fund*

The specific items listed in the categories are merely examples and are not to be considered as all-inclusive.

*Category A* – Generally considered to be appropriate:

1. Funds to needy congregants and other individuals. Need is defined as “food, shelter, clothing, and other living necessities.” When possible, checks will be written to given businesses, utility companies, banks, etc. to help the person in need. While the Cantor will make every effort to refrain from making out checks in the given individual's name, the Cantor may write the check to the individual if necessary. The Cantor should write a short note to be kept in a confidential file explaining the circumstances of such an instance.
2. Funds to other 501(C)3 organizations, including Bet Aviv, both local and out of our area.
3. Funds to national and international organizations for the benefit of the Jewish people directly or which would support relief efforts responding to an international emergency, situation or disaster.

*Category B* – Generally considered to be appropriate. Use of the Fund to supplement unusual and/or unanticipated Bet Aviv expenses. Best practice would suggest that documentation be created to support the utilization of discretionary funds on behalf of Bet Aviv approved by the Cantor (or the Board in the absence of a permanent cantor) if a separate check from the fund is not written.

1. Cover expenses of worship, educational, cultural or social action programs of Bet Aviv, especially if the program is newly created and the program is not part of the Bet Aviv budget at the time of the allocation.
2. Cover materials/registration for a Bet Aviv program or for Bet Aviv members in special need of materials or services.
3. Cover expense of registration and attendance at conferences relevant to the Reform movement and/or Bet Aviv up to \$500 per conference.
4. Cover equipment, music, copying needs of the choir or the Cantor so long as the expenditure is not for the personal benefit of the Cantor.

8. Interim Cantor – An interim Cantor may expend money from the fund to the same extent as a Cantor except any expenditure over \$100 shall be with the consent of the President. An interim cantor may not expend in excess of \$500 in any calendar year without approval of the Board. A substitute cantor may not expend monies from the fund.

Approved: November 13, 2018