

ISRAEL EDUCATION FUND (IEF)



United Israel Appeal (“UIA”) has monitoring/evaluative responsibility with respect to funds raised by The Jewish Federations of North America (“JFNA”) and federation campaigns in the US for programs of the Jewish Agency and other NGOs in Israel. In this capacity, UIA ensures that the appropriate funding oversight requirements of the Internal Revenue Service (“IRS”), as well as those of the American donor, are met.

UIA fulfills its responsibilities in accordance with various IRS Letter Rulings through an exclusive operating contract with the Jewish Agency for Israel. UIA’s Board and staff have accumulated valuable experience for defining, vetting and monitoring expenditures in programs and projects in Israel and in working with federations on these matters. UIA assists federations, donors and the Jewish Agency in the implementation of IEF (Israel Education Fund) grants.

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- UIA and JFNA share an IRS Letter Ruling noting the tax-exempt status of IEF.
- In accordance with the ruling for projects constructed through the IEF campaign, UIA must hold a long-term land lease on the property for the purpose designated in the original agreement.
- UIA is responsible for contractual agreements with local and regional authorities for the operation and maintenance of these properties.
- UIA currently has ownership of some 1,200 physical projects constructed with US donor funds through IEF, thus ensuring the permanent use of the property for the intended philanthropic purposes, in accordance with relevant federal and state law in the US.
- Prior to any solicitations, the Jewish Agency, on behalf of UIA, examines compliance with all legal requirements for each new project. This includes questions relating to ownership of property and other matters.
- In order to meet the requirements of the September 24, 1964, Letter Ruling from the IRS, the Jewish Agency is required to advise UIA of all negotiations concerning buildings, construction, operation of the projects, (including contracting for administration to other voluntary organizations), budgetary matters, administrative procedures and all legal matters involving relationships with the Government of Israel (“GOI”), municipalities and regional and local councils.
- In order to carry out their supervisory role, UIA Israel personnel participate in meetings with officials of the GOI, municipalities, and regional and local councils, wherever necessary.

- Through the UIA/Jewish Agency Agreement, the Jewish Agency provides all information concerning status of projects, establishment of priorities, and such other information as UIA requires in fulfilling its obligations to federations and the contributors.
- UIA/IEF formed non-profit companies to administer the operation of capital projects not otherwise operated by non-profit organizations, in accordance with the requirements of the 1964 IRS ruling.
- UIA Israel is responsible for ongoing monitoring and follow-up on the operation and maintenance of all of the above capital projects.
- UIA has access to all files and documentation relating to IEF facilities.