

Oregon Synod, ELCA Gift Policy

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I. PURPOSE

This policy governs the acceptance of gifts to the Oregon Synod. The Policy provides guidance to prospective donors and their advisors when making gifts to this synod, where all are invited to support our mission and ministry. The provisions of this policy apply to all gifts to the Oregon Synod over and above regular giving, offering, or pledges, or specific campaign or initiative contributions.

Gifts will be accepted when they support the mission, purpose, and procedures of the Oregon Synod. Donors are encouraged to bless this synod with gifts free of restrictions. All gifts will be considered based on the type of asset, gift transfer costs, donor restrictions, potential liabilities, mission, current needs, and other applicable factors. The Oregon Synod shall accept only such gifts as are legal and consistent with the Oregon Synod Gift Policy, and applicable bylaws and constitution. While the Oregon Synod does not provide tax advice, every effort will be made to assist donors in complying with the intents and purposes of the Internal Revenue Service (IRS) for allowing charitable tax benefits.

II. COMMITTEE GUIDELINES

The Synod Council Executive Committee is charged with the responsibility of reviewing gifts offered to the synod and shall make decisions and/or form recommendations regarding gift acceptance and use according to this Gift Policy, *Section III*. Gift acceptance and use decisions and recommendations will be forwarded to the Executive Committee for acknowledgement and/or approval in a timely fashion. Gift decisions shall be noted in confidential minutes.

- A. The Oregon Synod will accept undesignated gifts and donor designated gifts for specified programs and purposes, provided that such gifts are consistent with the stated mission, vision, policies and priorities of this synod. The Oregon Synod will not accept gifts that would result in losing its status as a US Internal Revenue Code Section 501(c)(3) nonprofit organization; are deemed by Executive Committee too difficult or too expensive to administer; or be a liability, in relation to the gift value; would result in unacceptable consequences; or are for purposes outside the mission of this synod.
- B. The Oregon Synod, as a general rule, will convert all gifts to cash.
- C. Records of gift acceptance or decline and of gift use shall be audited within this synod's standard audit procedures.
- D. The Executive Committee shall complete a Gift Worksheet (see Appendix 3) to record the gift acceptance and use decisions for any gifts greater than \$5,000.
- E. The Executive Committee shall offer appreciation for every donor's generosity, regardless of the decision to accept or decline the gift. For gifts over \$5,000, that appreciation will often begin with a verbal conversation with the donor or donor's estate but will be formalized through written notice sent by US Mail, or email with read receipt requested, and signed by the current bishop and Synod Council vice-president, or their designee.
- F. Recognition of the donor should not be a condition of the gift. The decision to provide acknowledgement and recognition for the gift will be the decision of the Executive Committee taking into consideration the desire of the donor and keeping with the standards and culture for the practice of appropriate gratitude.
- G. If there are questions or concerns regarding any gift including the offer, acceptance, or use thereof, whether defined in this policy or not, the donor and/or the Executive Committee are always encouraged to consult with the ELCA Foundation's Regional Gift Planner and Foundation staff or other related professional.

III. GIFT REVIEW CRITERIA

- Does the gift further the mission or help fulfill the purpose of this Church? (See <http://oregonsynod.org/index.php/about/4620-2/> for the Mission, Vision and Values of the Oregon Synod, ELCA)
- Is the gift easy to convert to cash, readily marketable, or are there restrictions on the use, display, or sale of the gift?
- Are there covenants, conditions, restrictions, reservations, easements, encumbrance, or other limitations associated with the gift?
- Are there any carrying costs (e.g. insurance, property or other taxes, mortgages, or notes), or maintenance expenses that outweigh the benefit of the gift?
- Does the environmental review or audit reflect that the property warrants additional investigation or otherwise requires remediation?
- Does the property have liabilities or other considerations that make receipt of the gift inappropriate?
- Any other criteria determined to be applicable by the Executive Committee.

IV. TYPES OF GIFTS CONSIDERED

The following examples are intended to facilitate donation and acceptance of gifts offered, albeit not intended to represent an exclusive list of potential gifts nor review criteria.

A. **Potential Gifts.** A variety of gifts can be shared with this synod, and donors are encouraged to inform the Executive Committee and/or this synod's ELCA Foundation Regional Gift Planner of such gift plans whenever possible. Some gifts will be accepted outright, and other gifts will be reviewed on a case-by-case basis according to the documents of this synod. The Executive Committee may seek advice from attorneys, accountants, Regional Gift Planner and other professionals in evaluating potential gifts. General categories of gifts include, but are not limited to:

- a. **Cash.** Gifts of cash will be accepted and are welcomed.
- b. **Beneficiary Designations.** Gifts of assets that transfer through beneficiary designation will be accepted. Types of beneficiary designation assets include, but are not limited to:
 - i. Bank and Credit Union Accounts
 - ii. Bank Accounts and Investments of qualified or non-qualified status, including, but not limited to, annuities, mutual funds, and securities
 - iii. Charitable Gift Annuities
 - iv. Charitable Remainder Trusts
 - v. Charitable Lead Trusts
 - vi. Distribution Agreements
 - vii. Donor Advised Funds
 - viii. Endowments
 - ix. Life Insurance Policies

NOTE: Sample beneficiary designation language... "OREGON SYNOD., a nonprofit organization located at address, Federal Tax ID #TaxID, for general use and purpose."

- c. **Marketable Securities.** Gifts of marketable securities will be accepted when transferred electronically to a Church-owned brokerage account; or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached; or transferred through the ELCA Foundation. All marketable securities will be sold promptly upon receipt unless otherwise directed. In some cases, marketable securities may be restricted by applicable securities laws, the terms of the proposed gift, or other stipulations. Types of publicly and non-publicly traded marketable securities include, but are not limited to:
 - i. Bonds
 - ii. Master Limited Partnerships (MLP)

- iii. Mutual Funds
- iv. Real Estate Investment Trusts (REIT)
- v. Stocks

NOTE: Sample language when securities are transferred through the ELCA Foundation... "For Benefit Of: OREGON Synod, a nonprofit organization located at address, Federal Tax ID #TaxID."

- d. **Life Insurance.** Gifts of life insurance will be accepted when the Oregon Synod, ELCA is designated as the sole owner of the insurance policy and an agreement is reached regarding the responsibility for payment of current and future premiums due. If the premium payments are not paid, the synod, as policy owner, reserves the right to surrender the policy in exchange for the cash value to avoid loan balance accruals.

NOTE: Sample life insurance transfer of ownership language... "I transfer sole ownership of life insurance contract (contract #) to: OREGON SYNOD, a nonprofit organization located at address, Federal Tax ID #TaxID."

- e. **Bequests.** Gifts in the form of a bequest will be considered on a case-by-case basis. Types of bequests include, but are not limited to:
 - i. Charitable Lead Trusts (CLT) or Charitable Remainder Trusts (CRT)
 - ii. Irrevocable Life Insurance Trusts (ILIT)
 - iii. Living or Revocable Trusts
 - iv. Testamentary Trusts or 'trust under will'
 - v. Wills

NOTE: Sample bequest language... "I hereby give, devise and bequeath ten percent (10%) of my total estate, to the OREGON Synod., a nonprofit organization located at Address, Federal Tax ID #TaxID, for general use and purpose."

- f. **Real Estate.** Gifts of real estate will be considered on a case-by-case basis. The donor shall be required to present an appraisal to Oregon Synod no more than 60 days prior to the real estate transfer (Ref. IRS Publication 561, under "Qualified Appraisal"). Prior

to acceptance of any gift of real estate, this synod may require an initial environmental review. In the event that the environmental review warrants additional investigation, this synod may retain a qualified firm to conduct a comprehensive environmental audit. The donor shall be responsible for the costs of the appraisal and/or any environmental studies required as a result of the environmental review and/or audit. Types of real estate include, but are not limited to:

- i. Agricultural
- ii. Commercial
- iii. Residential
- iv. Undeveloped real estate
- v. Those ELCA properties acquired through synod administration or synod preservation

NOTE: In cases where property gifts include a cemetery or columbarium, before the property transfer, the donor shall be responsible for forming an independent non-profit to assume responsibility for the care and maintenance of the cemetery or columbarium.

g. **Remainder Interests in Property.** Gifts of a remainder interest in a personal residence, farm/ranch, or vacation property (excluding time share interests) will be considered on a case-by-case basis and shall be subject to the real estate provisions in this Gift Policy Section IV.f. The donor or other occupants may continue to occupy the real property for the duration of their stated life or lives. Upon termination of the life interest, the Oregon Synod may use the property or reduce it to cash. Where this synod receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or life tenant(s). Types of remainder interests include, but are not limited to:

- i. Beneficiary Deeds
- ii. Enhanced Life Estate Deeds (aka Lady Bird deeds)
- iii. Life Estate Deeds

iv. Transfer on Death Deeds

NOTE: Availability and types of remainder interests in property are defined by current state law.

- h. **Closely held business interests.** Gifts of closely held business interests will be considered on a case-by-case basis and shall be subject to the real estate provisions in this *Gift Policy Section III.f.* Types of closely held business interests include, but are not limited to:
- i. Limited Liability type organizations (LLC, LLP, etc.)
 - ii. Partnerships
 - iii. S-Corporations or Shares
 - iv. C-Corporations or Shares
 - v. Business Options/Warrants
- i. **Oil, Gas, and Mineral Interests and Royalties.** Gifts of oil, gas, or mineral interests and/or royalties will be considered on a case-by-case basis and shall be subject to the real estate provisions in this Gift Policy Section IV.f.

NOTE: A working interest shall not be accepted.

- j. **Agricultural Commodities.** Gifts of commodities from cash basis farmers (excluding crop share landlords), including gifts of grain (e.g. soybeans, corn, wheat, et al.), will be considered on a case-by-case basis and shall be subject to the real estate provisions in this Gift Policy Section IV.f., provided the gift is from unsold crop inventory with no sale commitment made prior to the gift. The donor must give up “dominion and control” of the commodity and cannot sell the grain and order the proceeds to be sent to the Oregon Synod. This synod assumes risk after the transfer to include storage, transportation, and marketing costs as well as price risk. The transaction must be well documented to show the Oregon Synod as the owner (i.e., commodity is delivered and a warehouse receipt is executed to the synod).
- k. **Intellectual Property.** Gifts of intellectual property will be considered on a case-by-case basis. The donor and this synod are

encouraged to consult with an estate attorney/legal counsel before offering and/or accepting this gift. Types of intellectual property include, but are not limited to:

- i. Copyrights
- ii. Patents
- iii. Trademarks

l. **Tangible Personal Property.** Gifts of tangible personal property will be considered on a case-by-case basis.

m. **In-Kind Donations.** Gifts of in-kind goods or services given by a business or business owner, or a donor willing to pay for such goods or services on behalf of the Oregon Synod, will be considered on a case-by-case basis. In-kind donations will be acknowledged in writing by this synod, but as per Internal Revenue Service (IRS) Guidelines, will not be valued by, nor provided a receipt for charitable contribution by this synod.

V. GIFT VALUATION

Gift Valuation. Gifts of real estate and personal property, acquiring an independent assessment or appraisal shall be the responsibility of the donor or donor's estate. This may be facilitated by the Executive Committee to determine the comprehensive evaluation and impact of the gift. Appraisal of all non-cash gifts must take place within 60 days (Ref. IRS Publication 561 under "Qualified Appraisal").

NOTE: The ELCA Foundation can be a resource to help determine the necessary appraisal information.

VI. USE OF UNDESIGNATED GIFTS

An undesignated gift is given without any stipulation for its use and is accepted to support the mission and ministry of the Oregon Synod. This Gift Policy defines two categories of undesignated gifts and offers related protocols for each in an effort to honor the time and expertise held by the Executive Committee:

- a. Undesignated gifts with a value less than five-thousand dollars (\$5,000) shall be placed in the General Fund under Gifts/Horizon Fund unless otherwise determined by the Executive Committee.
- b. Undesignated gifts with value equal to or greater than five-thousand dollars (\$5,000) shall have the acceptance and use decisions approved by the Executive Committee in accordance with this policy, this synod shall promptly follow these steps:

Step 1: Tithe. Offer an outside gift of ten percent (10%) of the total gift (often referred to as a tithe) to the ELCA. This tithe will be an additional gift to Mission Support, above and beyond our first fruits giving.

Step 2: Endowment. Offer a contribution of ten percent (10%) of the total gift to the Endowment.

Step 3: Racial Repair Fund. Offer a contribution of ten percent (10%) to the Racial Repair and Equity Fund which works to build capacity for the necessary work of reconciliation and repair with our neighbors who are Black, Indigenous or Persons of Color.

Step 3: Designated Spending. This Church shall promptly offer a contribution of seventy percent (70%) percent of the total gift to the following designated fund categories, guided by the mission, vision and values of this Synod as outlined in Appendix C.

- a. General Fund/Horizon Fund
- b. Courageous Love Fund
- c. Lay School of Theology
- d. Reserves Fund
- e. Where Needed Most

VII. USE OF DESIGNATED GIFTS AND GUIDELINES

A designated gift is given with specific stipulations for its use and is accepted to support the mission and ministry of this synod through the donors defined restrictions. Gifts with specific donor defined restrictions will be considered on a

case-by-case basis with the understanding that the funds are to be used as requested by the donor.

NOTE: Donors may not direct the way a gift is invested or utilized by this synod. In accordance with the Internal Revenue Service, donors cannot claim tax favor or retain control over gifts to charity.

- A. Donors should be aware that programs offered by this synod may be discontinued, modified, or incorporated into other programs, therefore a donor who makes a designated gift, whether in the form of a current gift or through an estate plan, is strongly encouraged to complete the **Gift Designation and Release Form** (see Appendix 2). The Executive Committee shall make the *Gift Designation and Release Form* readily available in the office and through the website of this congregation.
- B. Designated gifts established prior to the approval of this policy or received without the accompaniment of a *Gift Designation and Release Form* shall be reviewed by the Executive Committee and potentially this congregation to determine if the gift shall be accepted. This synod may also consult legal counsel and the State Attorney General to determine the requirements to lift a donor designation if necessary.
- C. Designated gifts for non-synod use from congregations or other contributors shall be monetary only and shall be paid in full to the specified recipients and will not offset any synod budgeted allocation. Such gifts shall NOT be subjected to sharing with ELCA churchwide offices.

VIII. MEMORIAL AND HONORARY GIFTS

Memorial and honorary gifts include gifts given in memory or honor of loved ones, friends, or others and may be unrestricted or designated.

Memorial - Threshold. Memorial and honorary gifts of more than \$5,000 are subject to the guidelines for gift acceptance, appreciation, and valuation as defined in Gift Policy Section III. Unrestricted memorial and honorary gifts with a value less than \$5,000 shall support the annual operating budget of the synod, including the tithe

as outlined previously. The gift use guidelines defined in Gift Policy Section V. shall apply to all unrestricted memorial or honorary gifts with a value of \$5,000 or greater.

Memorial - Gift Policy. Memorial and honorary gifts are subject to the same guidelines for gift acceptance, appreciation, valuation, and use as defined in the Gift Policy Sections III, IV, V and VI.

NOTE: Notification shall be provided to the individual, family, or the individual's estate, listing the donors who contributed a memorial or honorary gift.

IX. GIFT POLICY REVIEW

This policy shall be reviewed every three (3) years by the Synod Council at the September meeting. The initial review will commence in the year 2026.

X. RESOURCES

The **ELCA Foundation**, through Regional Gift Planners and support staff, offer gift planning services at no charge to this Synod and its donors. Visit www.elcafoundation.org or call **800-638-3522** to connect with the ELCA Foundation Regional Gift Planner that supports this Church.

Donors are also encouraged to consult with their personal tax advisor, estate attorney and/or financial advisor for specific tax, legal, and investment information. The Oregon Synod does not provide any tax, legal, or investment advice.

Date Reviewed:	
Reviewed by:	
Date Approved:	
Approved by:	