



SOUTH WISCONSIN

DISTRICT

THE LUTHERAN CHURCH—MISSOURI SYNOD

Gift Acceptance Policies and Guidelines

The South Wisconsin District of The Lutheran Church—Missouri Synod, a not for profit corporation (EIN:39-0818695) organized under the laws of the State of Wisconsin encourages the solicitation and acceptance of gifts to the South Wisconsin District (hereinafter referred to as the District) for purposes that will help the District to further and fulfill its mission.

The following policies and guidelines govern the acceptance of gifts by the District and provide guidance to prospective donors and their advisors when making gifts to the District.

I. Authority

- A. All decisions on the acceptance or refusal of a gift shall be made in accord with the Board of Directors policy. In summary, the District will not accept gifts that:
 - 1. Run counter to the District's Scriptural beliefs, values, and policies;
 - 2. Have a neutral or negative effect on the *Outcome Policies*;
 - 3. Could jeopardize the District's 501(c)(3) non-profit status with the IRS.

II. Use of Legal Counsel

- A. Prospective donors are encouraged to seek the assistance of their own legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

III. Types of Gifts

- A. The District will accept gifts of cash (US currency only) to established funds and accounts. Checks shall be made payable to the South Wisconsin District.
- B. Other (non-traditional) gifts will be reviewed prior to acceptance.
 - 1. Tangible Personal Property
 - 2. Marketable Securities
 - 3. Bequests
 - 4. Charitable Remainder Trusts and Charitable Lead Trusts
 - 5. Retirement Plan Beneficiary Designations
 - 6. Life Insurance
 - 7. Charitable Gift Annuities
 - 8. Real Estate
 - 9. Remainder Interest in Property

*Confessing Christ
for the Next Generation*

IV. General Guidelines

- A. The District reserves the right to accept or decline a donor's charitable contribution.
- B. In order to accept a donation, a gift must advance the mission of the District and its ministries, and support prioritized (i.e., budgeted) expenditures as approved by the Board of Directors.
- C. Gifts that encumber the District to secure additional donations beyond a reasonable amount and within a reasonable timeframe to complete projects or activities may be declined.
- D. It will be the responsibility of the donor to secure an appraisal (where required).
- E. Criteria which must be satisfied in order to accept a donation as a deductible charitable gift include:
 - 1. The donation must meet IRS criteria for deductibility according to established law, and
 - 2. The donation must advance the mission and strategic objectives of the District, and
 - 3. The donation must be administered by the District (i.e., donor relinquishes control), and
 - 4. The donation must fund:
 - i. Planned expenditures approved by the Board of Directors through the annual operating budget, or
 - ii. Expenditures approved by the President or Board of Directors as part of capital or special projects outside the annual operating budget.
- F. Restrictions on Gifts
 - 1. The District will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate Scripture and the District's Articles of Incorporation or Bylaws, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the District.
 - 2. The District will regularly accept restricted gifts for specific programs and purposes. The District places restricted gifts into the following categories; not necessarily by the specific beneficiaries of those categories:
 - i. Student Aid
 - ii. Urban Ministry
 - iii. Ethnic Ministry (e.g., Hispanic, Hmong, Chinese, African Immigrant)
 - iv. Specialized Ministry (e.g., Deaf, Prison, Ex-Offender)
 - v. Campus Ministry
 - vi. New Schools
 - vii. Mercy Care (e.g., Disaster Relief)
 - viii. Church Plants
- G. Pass-Through Donations
 - 1. Some donations are "pass-through" dollars from one Lutheran Church—Missouri Synod (LCMS) entity to another, such as a partnership.
 - 2. If the District agrees to facilitate a pass-through donation, it will not be treated as a charitable donation to the District.
 - 3. The District will not serve as a pass-through for non-LCMS entities.
- H. Refunds
 - 1. The District retains the right to refund or decline to refund donations.
 - 2. Donations will never be refunded after the funds have been expended.

August 25, 2021