

**CAMP SOLOMON SCHECHTER**  
**LEGACY (PLANNED GIVING) PROGRAM**  
**POLICIES & GUIDELINES**

**Authorization**

Camp Solomon Schechter (hereinafter “Camp”) welcomes both current and deferred gifts of assets. The types of gifts to be encouraged include outright contributions, bequests, gifts of retirement plan assets, charitable gift annuities (immediate and deferred), charitable remainder trusts, charitable lead trusts, gifts of life insurance policies and proceeds, gifts of residences and farms subject to retained life estates, bargain sales, and such other gift arrangements as the Board of Directors (hereinafter “the Board”) may from time to time approve. All programs, solicitation plans, and activities shall be subject to the oversight of the Executive Committee and ultimately of the entire Board.

**General Policies**

1. The policy of Camp is to inform, serve, guide or otherwise assist donors who wish to support the activities of Camp, but never under any circumstances to pressure or unduly persuade. In particular, whenever a gift involving an irrevocable transfer of assets is under consideration, every effort should be made to ensure that completing the gift would not jeopardize the donor’s personal or financial security.
2. Persons acting on behalf of Camp shall in all cases advise each donor to discuss the proposed gift with independent legal counsel, as well as with other professional advisors of the donor's choice, so as to ensure that the donor receives a full and accurate explanation of all aspects of a proposed charitable gift.
3. The Executive Director, the Development Director, and such other persons as may be designated by the Executive Director are authorized to negotiate planned gift agreements with prospective donors, following program guidelines approved by the Board.
4. Prototypes of all planned giving agreements requiring execution by Camp shall first be reviewed and approved as to form by legal counsel for Camp. However, each particular agreement need not be reviewed by legal counsel, provided it is based on a prototype agreement that has been reviewed and approved.
5. Outright gifts of cash, publicly-traded securities and life insurance policies do not require approval by the Gift Acceptance Committee (Executive Committee).
6. Gifts of the following types of property must be reviewed and approved by the Executive Committee. Before acceptance, relevant information about the property

shall be ascertained, including a copy of any appraisal secured by the donor. Camp also reserves the right to secure its own appraisal.

- A. Real estate
  - B. Closely held stock
  - C. Tangible personal property
  - D. Partnership interests
  - E. Any other property interest which is not readily negotiable
7. Camp shall not issue charitable gift annuities but shall instead refer individuals to the Oregon Jewish Community Foundation for Gift Annuities. The Gift Annuity is a contract between the donor and the foundation in accordance with their prevailing board policies. The maximum residuum will be designated as endowment for Camp.
8. Camp shall not serve as trustee of charitable remainder trusts or charitable lead trusts except when it is impractical to name another trustee. Agreement to serve as trustee shall be subject to prior approval of the Board in consultation with legal counsel for Camp. If Camp agrees to serve as trustee, then, in all such cases, it will appoint a trust institution to serve as agent or co-trustee with responsibility for investing trust assets and administering the trust. The costs of investment and administrative services for a trust shall be an expense of the trust, and all trust agreements shall authorize Camp and any co-trustee, professional investment manager, or custodial agent to charge a reasonable fee for investment and administrative services.

The following Guidelines are established to assure that legacy (planned) gifts accepted by Camp will be cost effective.

## **1. Outright Gifts**

### **A. Description**

An outright gift refers to a contribution of cash or property in which the donor retains no interest and which can be used currently by Camp. Securing outright gifts is the highest priority of Camp, and donors who are able to make an outright gift will be encouraged to do so.

### **B. Guidelines**

- 1) Camp will accept an outright gift of any amount, though gifts to establish a named endowment must meet the minimum funding requirements set by the Board.

- 2) Camp welcomes outright gifts of property as well as cash, but all property, other than publicly-traded securities and life insurance policies, must be approved by the Executive Committee before it can be received.
- 3) A donor may complete a gift in a single transaction or make a pledge to be paid over whatever period of time is mutually acceptable to the donor and Camp.

## **2. Bequests**

### **A. Description**

A bequest is generally understood to be any gift made upon death pursuant to a provision in the donor's will or revocable living trust. Bequests have historically been the most important kind of deferred gift, and they have contributed significantly to the building of institutional endowments. The encouragement of bequests will be one of the highest priorities of Camp.

### **B. Guidelines**

- 1) Sample bequest language for restricted and unrestricted gifts, including endowments, will be made available to donors and their attorneys to ensure that the bequest is properly designated. Each bequest donor will also be invited to provide written confirmation of bequest provisions that benefit Camp. Those who provide confirmation and consent will be listed as members of the society recognizing persons who have arranged some form of future gift to Camp.
- 2) The Executive Director, the Development Director, and such other as may be designated by the Executive Director are authorized to accept bequests on behalf of Camp, except that bequests of property that entail potential expense, liability, or inconvenience on the part of Camp or bequests subject to restrictions with which it may be difficult for Camp to comply shall require approval of the Executive Committee.
- 3) During the probate of estates containing a bequest to Camp and during the post-death administration of revocable trusts containing dispositive provisions benefiting Camp, the Executive Director and others designated by that person, in consultation with legal counsel for Camp, shall represent Camp in all dealings with the attorney and personal representatives of the estate.

### **3. Gifts of Retirement Plan Assets**

#### **A. Description**

Many potential supporters of Camp likely have IRAs or other qualified retirement plans, and the value of the assets involved can be considerably more than the donor would ever need during retirement. In some cases it can be appropriate for donors to use these assets to make current outright gifts, whereas in other cases it may be preferable to have retirement plan assets contributed upon death.

#### **B. Guidelines**

- 1) Camp shall encourage current outright gifts of assets distributed from retirement plans, provided the donors, upon consultation with their advisors, determine that they are able to part with such assets without compromising the financial security of their retirement years, and also determine that the gift will not result in tax disadvantages.
- 2) Prospective donors of retirement plan assets upon death shall be encouraged, in consultation with their advisors, to consider structuring gifts of such assets either through an outright transfer to Camp by means of a beneficiary designation or through a charitable remainder trust or a charitable gift annuity designed to provide life payments to one or more beneficiaries of the donor's estate.

### **4. Charitable Gift Annuities**

#### **A. Description**

A charitable gift annuity is a contract between a charity and a donor. The charity agrees to pay the donor (or other person named by the donor) a lifetime annuity in return for a gift of cash, securities, or other property. The payment may continue for the life of a second individual, such as a spouse. If the first payment is to be made within one year of the contribution, the annuity is regarded as an immediate annuity; if the first payment is made thereafter, then the annuity is regarded as a deferred annuity.

The annual payment is a fixed sum, the amount of which is based on the size of the gift and the number and ages of the beneficiaries. Gift annuity rates are lower than the rates offered by commercial insurance companies so that a significant residuum will remain for charitable purposes.

B. Guidelines

The terms of each gift annuity arrangement shall be as settled upon by the donor and the Oregon Jewish Community Foundation and subject to the prevailing board policies of the foundation.

**5. Charitable Remainder Trusts**

A. Description

A charitable remainder trust is a separately administered trust established by the donor. It provides for payments to the donor and/or other named beneficiary(ies) either for life or a term of years (not exceeding 20), whereupon the remaining trust assets are distributed to one or more charities.

A charitable remainder annuity trust pays a fixed amount, which must be at least 5 percent and no more than 50 percent of the fair market value of the assets initially contributed to the trust. This amount does not change, and no additional gifts may be made to the annuity trust after its creation. In addition, the present value of the remainder interest at the time of creation must be at least 10 percent of the value of the assets used to create the trust, and there cannot be a greater than 5-percent likelihood at the time of creation that the trust's assets will be exhausted before the trust ends.

A charitable remainder unitrust pays a fixed percentage (at least 5 percent but no more than 50 percent) of the fair market value of trust assets, as valued annually. Because the value of assets can be expected to change from year to year, the unitrust payment will vary in amount each year. Additional contributions may be made to the trust after it is established. Also, the present value of the remainder interest associated with any contribution of assets to the trust must be at least 10 percent of the value of those assets.

Several variations of the unitrust are possible. A "standard" or "straight" unitrust pays the stipulated amount, even if it is necessary to invade principal to do so. A "net-income" unitrust pays the lesser of the stipulated amount or the actual net income, so principal would not be invaded. A "net-income with make-up-provision" unitrust is like the net income unitrust except that excess earnings can be applied to cover accrued deficiencies resulting from the net income being less than the stipulated amount. A fourth variation is the "flip" unitrust, which functions initially as either a net-income unitrust or a net-income with make-up provision unitrust but then becomes a standard unitrust at a later point in the trust's existence.

B. Guidelines

- 1) If Camp is named as trustee, the minimum amount for a charitable remainder trust ordinarily will be \$200,000, but a trust may be

funded with a smaller amount subject to prior approval by the Executive Committee. If the donor selects an external trustee, the minimum will be whatever amount is acceptable to that trustee.

- 2) Camp recommends that beneficiaries be at least 50 years of age unless the trust is for a term of years.

## **6. Charitable Lead Trusts**

### **A. Description**

A charitable lead trust is a trust in which the income, or “lead” interest, is paid to Camp, and the “remainder” interest is given to one or more non-charitable beneficiaries, who could be either the donor or family members. The amount paid to Camp may be either a fixed sum (an “annuity trust” interest) or a percentage of trust assets as valued each year (a “unitrust” interest).

### **B. Guidelines**

- 1) If Camp is named as trustee, the minimum amount for a charitable lead trust ordinarily will be \$200,000, but a trust may be funded with a smaller amount subject to prior approval by the Executive Committee. If the donor selects an external trustee, the minimum will be whatever amount is acceptable to that trustee.
- 2) The trust term and payout rate may be at the discretion of the donor, subject to the approval of Camp or other trustee.

## **7. Life Insurance Gifts**

### **A. Description**

There are various methods by which a life insurance policy may be contributed to Camp. A donor may:

- 1) Assign irrevocably a paid-up policy to Camp;
- 2) Assign irrevocably a life insurance policy on which premiums remain to be paid; or
- 3) Name Camp as a primary or successor beneficiary of the proceeds.

### **B. Guidelines**

- 1) Any of these types of life insurance gifts are acceptable to Camp. In the event a policy is contributed on which premiums remain to be paid,

Camp may elect to pay the premiums, provided the donor makes equivalent contributions for that purpose.

- 2) For any policy of which it is the owner, Camp reserves the right to continue paying premiums (if any), surrender the policy for cash, or elect a paid-up policy for a reduced amount.

## **8. Retained Life Estates**

### **A. Description**

An individual may transfer to Camp title to a personal residence or farm, with the donor or another person retaining use of the property for a term of years or for the life of the donor and/or another person.

### **B. Guidelines**

The donor or other person(s) for whose benefit the life estate has been retained shall continue to be responsible for real estate taxes, insurance, utilities and maintenance after transferring title to the property unless Camp, upon prior approval of the Executive Committee, agrees to assume responsibility for any of these items. In any event, Camp shall enter into a retained life estate arrangement only if it is also party to an agreement that specifies the respective rights and responsibilities of Camp and of the person(s) for whose benefit the life estate has been retained.

## **9. Bargain Sales**

### **A. Description**

A "bargain sale" is a sale of property to Camp for an amount less than the property's current fair market value. The excess of the value over the sales price represents a contribution. The bargain sale price may be paid either in a lump sum or in installments.

### **B. Guidelines**

Camp, upon approval of the Executive Committee and legal counsel, may purchase real estate, securities, or other property on a bargain sale basis. The price paid for the property should result in a gift significantly large to make the transaction worthwhile for Camp.

## 10. Gifts of Real Estate

### A. Description

Gifts of real estate may be made in various ways: outright or through a charitable remainder trust, a retained life estate or a bargain sale. These guidelines pertain to gifts of real estate in general.

### B. Guidelines

- 1) In determining whether to accept a particular piece of property, Camp shall take into account the nature of the proposed gift arrangement, the usefulness of the property for purposes of programs operated by Camp; the marketability of the property; and carrying costs related to the property, such as property owners association dues, taxes, insurance premiums (taking into account coverage provided), and maintenance expenses.
- 2) The donor shall secure a qualified appraisal of the property. The cost of the appraisal shall be borne by the donor.
- 3) Camp (or the trustee in case of a charitable remainder trust or charitable lead trust) shall determine if the donor has clear title to the property. The costs associated with such determination may, in the discretion of the Executive Committee, be borne by Camp.
- 4) An environmental audit shall be required unless the Executive Committee decides the requirement can be waived for a particular property, such as a single-family residence. The costs associated with such an audit determination may, in the discretion of the Executive Committee, be borne by Camp. No property containing toxic wastes shall be accepted prior to their removal or other remedies assuring that Camp assumes no liability whatsoever in connection with such toxic wastes.
- 5) Camp may accept property subject to a mortgage provided the property has sufficient equity, available cash flow will service the mortgage, and the property is marketable.
- 6) A donor should be encouraged not to transfer mortgaged property to a charitable remainder trust unless the trust would not be disqualified and unless the income from the property is sufficient to cover all liabilities.
- 7) If a donor wants to give real estate and retain income, a “flip” charitable remainder unitrust is the preferred instrument (although either a “net-income” unitrust or “net-income with make-up-provision” unitrust would also be acceptable). Usually real estate will not be accepted for a charitable gift annuity.



## 11. Gifts of Closely Held Stock and Other Business Interests

### A. Description

Donors may make gifts of closely held stock, limited partnership units, and similar interests in businesses. These can be accepted by Camp so long as Camp either assumes no liability or considers the amount of liability to be acceptable, and so long as the property can be sold within a reasonable period of time. In the case of closely held stock, the corporation may be willing to redeem the stock or other stockholders may be willing to purchase it.

### B. Guidelines

- 1) To be considered for acceptance, limited partnership units and similar interests in businesses must not subject Camp to cash calls or other liability and must not have adverse tax consequences for Camp.
- 2) Closely held stock may be accepted if the probability exists of selling it within a reasonable period of time to the corporation, other stockholders, or to others interested in acquiring the corporation. If a potential gift involves Subchapter S stock, Camp may accept the gift if the income tax liability associated with owning and selling the stock appears to be reasonable in proportion to the income that Camp would actually receive.

## 12. Amendments

These Policies and Guidelines may be amended at any time by a majority vote of the Board.

Approved this 6th day of May, 2012.

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David Schwartz, Board Co-President

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Karen Twain, Board Co-President

Due for review and affirmation in May 2015.