

January 12, 2010

Re: Capital Campaign Update

Welcome to the New Year! It's a time of making resolutions and undertaking the hard work to fulfill them. Last year, the Board resolved to address an issue that has been raised over the last several years but which has never been fully answered – how to respond to the few requests for a return of capital campaign contributions. Let me update you on the results.

For those new to the membership, Congregation Beth Tikvah started raising funds for a building project in the late 1990s, but despite significant efforts has never been able to complete the capital project itself. As a consequence, a few fellow congregants who generously gave in the past have made inquiries over the last couple of years about a possible return of some portion of their capital campaign contributions. The requests have always been for very personal – and very understandable – reasons, ranging from significant changes in a family's economic circumstances to an undeniably compelling desire to redirect the family's donation to another charity related to a loved one's illness. And each time, a Board member has responded that the congregation still plans on using these funds and therefore, regretfully, the answer had to be, "No."

Shortly before the Annual Meeting, several congregants asked the Board to raise the matter by motion and have it voted on by the membership as a whole. Because of the potential tax and legal consequences, the Board established a committee charged with reviewing the issues presented by a possible return of capital campaign contributions and bringing a recommendation to the Board by our September meeting. The charge was intentionally broad. Not only did the Board want to know whether it was required to return funds; it also wanted to have explored the possible alternatives – e.g., whether it could return funds even if not required to do so by law, or whether it could redirect funds to another charity if a direct return of funds to a congregant was prohibited or imprudent. Wanting to avoid adversely impacting the congregation, the members who brought the motion-request to the Board agreed, showing again their affection for Beth Tikvah even while making some difficult requests. The Board and I are deeply grateful for their patience.

The committee issued its report to the Board in November, concluding (in summary) that the capital campaign funds that were the subject of the requests *could not* be returned or redirected to other charities. It explained that once given, these gifts became assets of Beth Tikvah as a whole and could only be spent on behalf of, and to further the charitable purposes of, the congregation. It also explained that this does not include a use of the funds to offset individual family dues, for example, or a redirection of funds to outside charities. The committee also recommended that even if the capital campaign gifts to the congregation could be returned, they should not be because of the potential jeopardy to our tax-exempt status. The committee based its conclusions and recommendations on its own independent research and the advice of our legal counsel, the Carlile, Patchen & Murphy firm. A copy of the report is available at the temple office for your review. Our thanks goes out to the committee's members for the time and effort they put in to assisting the Board in its deliberations.

The Board discussed the issues at length at both its November and December meetings and ultimately adopted the following motion:

*Moved, to accept the report of the Capital Campaign Subcommittee dated November 5, 2009, and to find that requests that have been made for the return of Capital Campaign gifts to Congregation Beth Tikvah cannot and therefore will not be granted.*

Yet, while responsive to the requests themselves, that motion doesn't address the underlying issue (something the committee was not charged with answering): What are we, as a congregation, going to do with the capital campaign funds if we are not going to be moving to the Snouffer Road property in the near term? Are we going to preserve the funds until such time as a move is possible? Are we going to remodel and/or expand our current building at Olentangy River Road? Are we going to abandon the capital building project altogether? Are there other alternatives that we should consider? These are the questions that many on the Board – and many of you – want to finally answer.

To assist the congregation in making that determination, the Board has directed our Building Committee, chaired by John Stefano, to take the data we've collected over the years on our needs and wishes and to work on a recommendation for our current property. This is only an *initial* step – to help us visualize the possibilities as we consider collectively what it is that we want to do. As part of the overall process, the committee plans on organizing open meetings and taking other steps to keep us all informed about the possibilities for our current building and to solicit our comments and suggestions. You will be receiving those details soon.

The Board believes that it is time to bring closure to this issue and will work to update you on our progress and on the opportunities planned to solicit your thoughts and ideas regarding our next steps. Still, you should feel free to contact me directly at any time with any questions or comments that you may have.

I hope this finds you and your family well and enjoying the New Year!

With warmest regards,



Greg Russell, President

Congregation Beth Tikvah