



TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

# 20110935

AUG 24 2011

Date: JUN 5 2002

Contact Person:  
Mr. Carter C. Hull  
Identification Number:  
50-03480  
Telephone Number:  
(202) 283-8908

Entered

Concordia University Wisconsin  
Foundation, Inc.  
c/o Mr. Duane Hilgendorf, Executive Secretary  
12800 North Lake Shore Drive  
Mequon, WI 53097-2402

Employer Identification Number: 39-6077337

Dear Applicant:

This letter is in reply to your letter dated January 24, 2002, in which you requested a ruling that the changes to your Articles of Incorporation and bylaws will not adversely affect your status as an organization described in section 501(c)(3) of the Internal Revenue Code, that the changes will not adversely affect your status as a supporting organization described in section 509(a)(3) of the Code, and that contributions to you will be fully deductible to donors for federal income, gift, and estate tax purposes.

Our records indicate that you were recognized by the Internal Revenue Service in an April, 1963 letter, as exempt under section 501(c)(3) of the Code, under the name Concordia Foundation, Inc. You were subsequently determined not to be a private foundation because you are a supporting organization described in section 509(a)(3).

Your original Articles of Incorporation, approved by the appropriate State of Wisconsin authorities on March 23, 1960, stated that your purposes were:

- (1) to promote religious and educational activities of Concordia College of Milwaukee, Wisconsin, and to furnish adequate facilities for said Concordia College,
- (2) to assist and cooperate in every possible manner with Concordia College of Milwaukee, Wisconsin, for the promotion and accomplishment of its religious and educational activities,
- (3) to solicit gifts of real property or personal property or both from individuals, firms, associations, and corporations, for the benefit of Concordia College of Milwaukee, Wisconsin, and
- (4) to engage in all activities as may be necessary, requisite, or convenient to carry out the purposes and objectives of the corporation.

You state that you were organized for the purpose of promoting the religious and educational activities of Concordia College, now known as Concordia University Wisconsin (the

Concordia University Wisconsin Foundation, Inc.

University), an educational institution located in Mequon, Wisconsin, and operated by the Lutheran Church – Missouri Synod. Our records indicate that the University is exempt as an organization described in section 501(c)(3) of the Code under the group ruling issued to the Lutheran Church – Missouri Synod. Because the University normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance at the place where the educational activities are regularly carried on, the University is not a private foundation since it is described in sections 170(b)(1)(A)(ii) and 509(a)(1).

You state that you were organized for the specific purpose of soliciting gifts from individuals, firms, associations, and corporations for the University's benefit, and that for some years after your incorporation you engaged in various fundraising efforts and accumulated a certain amount of funds for the benefit of the University. You state that thereafter, however, you became inactive, and the University once again assumed your functions. You state that your assets were distributed to or for the benefit of the University and that you have not held assets or received contributions or other revenue for several years.

You state that the University now wishes your reactivation and to transfer fundraising responsibilities to you. You will enable these functions to be overseen by a separate Board of Directors comprised by individuals having particular interest and expertise in fundraising and financial matters. In addition, you will be in a position to hold title to assets and to manage and administer operating assets and endowment funds in a separate legal entity insulated from potential liabilities arising from the University's institutional activities. While your initial focus will be on fundraising activities for the benefit of the University, you anticipate that asset management will, over time, become an increasingly significant function and that the University may, in the future, transfer portions of its current endowment, real estate, or other assets to you.

You state that a new Board of Directors was appointed to undertake the necessary actions to revive your operations, and that a Board committee was appointed to review and recommend changes to your organizational documents. You state that this review revealed that your organizational documents did not reflect your planned operations and did not take advantage of various amendments to the Wisconsin Nonstock Corporation Act. To address these issues, your Board of Directors adopted Amended and Restated Articles of Incorporation, and amended and restated your bylaws.

Your Amended and Restated Articles of Incorporation, filed with and approved by the appropriate State authorities on January 15, 2002, change your name from Concordia Foundation, Inc. to Concordia University Wisconsin Foundation, Inc. Your Articles states that you are organized, and shall at all times be operated, exclusively for the benefit of, to perform the functions of, and to carry out the purposes of, Concordia University Wisconsin, in Mequon, Wisconsin. Your Articles continue that in furtherance thereof, you shall be organized and operated exclusively for, and your activities shall be limited to, such religious, charitable, scientific, literary, and educational purposes as will benefit, carry out the purposes, and/or perform the functions of the university, including, but not limited to, the following:

- (a) the promotion of the mission and vision of the University and the enhancement of public awareness of and appreciation for the University;

Concordia University Wisconsin Foundation, Inc.

- (b) the solicitation of donations and bequests and the receipt and acceptance of property to be held for the benefit and/or purposes of the University;
- (c) the management, investment, and administration of funds and property for the benefit and/or purposes of the University; and/or
- (d) the making of grants and the disbursement of funds to or for the benefit of the University and/or to carry out the purposes of the University.

Your amended and restated bylaws state that you will initially be governed by nine Directors. The University's President, Chief Advancement Officer, and Chief Fiscal Officer will serve as *Ex Officio* Directors having the right to vote on all of your matters. Three of the remaining six directors will be elected by the University (the University Directors) and the final three directors will be elected by majority vote of the Directors in office (the Foundation Directors). Your amended bylaws state that although the number of University Directors and Foundation Directors may vary from time to time, the number of University Directors plus the three *Ex Officio* Directors must always exceed the number of Foundation Directors. Your amended bylaws also state that at no time may disqualified persons, as defined in section 4946 of the Code, constitute 50% or more of the Board of Directors. You expect that the significant University presence on your Board, and the direct overlap of the three *Ex Officio* Directors, will facilitate a smooth transfer of responsibilities to you and ensure the University a significant voice in your operations.

Section 501(c)(3) of the Code provides for exemption from federal income tax of organizations organized and operated exclusively for charitable, scientific, or educational purposes provided no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 509(a)(3) of the Code provides that the term "private foundation" means a domestic or foreign organization described in section 501(c)(3) other than an organization which

- (A) is organized, and at all times thereafter is operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more specified organizations described in section 509(a)(1) or (2),
- (B) is operated, supervised, or controlled by or in connection with one or more organizations described in section 509(a)(1) or (2), and
- (C) is not controlled directly or indirectly by one or more disqualified persons (as defined in section 4946) other than foundation managers and other than one or more organizations described in section 509(a)(1) or (2).

Section 1.509(a)-4(e)(1) the Internal Revenue Regulations provides that a supporting organization will be regarded as "operated exclusively" to support one or more specifically publicly supported organizations only if it engages solely in activities which support or benefit the specified publicly supported organizations. However, an organization will not be regarded

Concordia University Wisconsin Foundation, Inc.

as operated exclusively if any part of its activities is in furtherance of a purpose other than supporting or benefiting one or more specified publicly supported organizations.

Section 1.509(a)-4(f)(3) of the regulations provides that although more than one type of relationship may exist in any one case, any relationship described in section 509(a)(3)(B) of the Code must insure that:

- (i) the supporting organization will be responsive to the needs or demands of one or more publicly supported organizations; and
- (ii) the supporting organization will constitute an integral part of, or maintain a significant involvement in, the operations of one or more publicly supported organizations.

Section 1.509(a)-4(g)(1)(i) of the regulations provides that each of the items "operated by," "supervised by," and "controlled by," as used in section 509(a)(3)(B) of the Code, presupposes a substantial degree of direction over the policies, programs, and activities of a supporting organization by one or more publicly supported organizations. The relationship required under any one of these terms is comparable to that of a parent and subsidiary, where the subsidiary is under the direction of, and accountable or responsible to, the parent organization. This relationship is established by the fact that a majority of the officers, directors, or trustees of the supporting organization are appointed or elected by the governing body, members of the governing body, officers acting in their official capacity, or the membership of one or more publicly supported organizations.

Section 1.509(a)-4(j)(1) of the regulations provides, in part, that an organization will be considered "controlled," for purposes of section 509(a)(3)(C) of the Code, if the disqualified persons, by aggregating their votes or positions of authority, may require such organization to perform any act which significantly affects its operations or may prevent such organization from performing such act. The regulation continues that, except for proof of independent control as explained in section 1.509(a)-4(j)(2), a supporting organization will be considered to be controlled directly or indirectly by one or more disqualified persons if the voting power of such persons is 50% percent or more of the total voting power of the organization's governing body or if one or more of such persons have the right to exercise veto power over the actions of the organization.

In effect, section 509(a)(3)(A) of the Code describes as a public charity an organization which is organized and at all times thereafter is operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more specified organizations described in sections 509(a)(1) and (2). Section 509(a)(3)(B) sets out the three required relationships, one of which the supporting organization must meet. You are asserting qualification under section 509(a)(3)(B) under the "operated, supervised, or controlled by" relationship provided in section 1.509(a)-4(g) of the regulations. The "operated in connection with" or the "supervised or controlled in connection with" relationship tests are not asserted by you and are not discussed in this letter.

The issue to be determined in this case is whether the change in your Articles regarding your purposes will jeopardize your exempt status. You were originally formed to promote the

Concordia University Wisconsin Foundation, Inc.

religious and educational activities of Concordia College of Milwaukee, Wisconsin, and to furnish adequate facilities for said Concordia College. Your amended Articles state that you are organized, and shall at all times be operated, exclusively for the benefit of, to perform the functions of, and to carry out the purposes of, Concordia University Wisconsin, in Mequon, Wisconsin. In effect, your Articles continue to provide primarily for the support of the University.

You have shown that you will continue to qualify as a supporting organization within the meaning section 509(a)(3) of the Code since you continue to be organized and operated exclusively for the benefit of the University, as specified in your Articles. The University is a publicly supported organization described in section 501(c)(3). Your purposes as stated in your Articles are also limited to those that benefit the University. Your bylaws show that you will be controlled by the University within the meaning of section 1.509(a)-4(g) of the regulations. Your bylaws also provide that you will not be controlled by disqualified persons within the meaning of section 1.509(a)-4(j):

Accordingly, based on the facts and circumstances concerning the change in your Articles of Incorporation and your bylaws, as stated above, we rule that the changes will not adversely affect your exempt status under section 501(c)(3) of the Code or your status as a supporting organization described in section 509(a)(3). Donors may continue to deduct contributions to you as provided in section 170. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522.

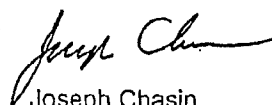
This ruling is based on the understanding that there will be no material changes in the facts upon which it is based. Any such change should be reported to the Ohio Tax Exempt and Government Entities (TE/GE) Customer Service office. Because it could help resolve questions concerning your federal income tax status, this ruling should be kept in your permanent records. A copy of this ruling is being forwarded to the Ohio TE/GE Customer Service office.

Except as we have specifically ruled herein, we express no opinion as to the consequences of this transaction under the cited provisions or under any other provisions of the Code.

This ruling is directed only to the organization that requested it.

If you have any questions about this ruling, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Joseph Chasin  
Acting Manager  
Exempt Organizations  
Technical Group 2

P. O. Box 2508  
Cincinnati, OH 45201

Date: December 17, 2001

Concordia Foundation Inc  
C/O Duane H. Hilgendorf  
12800 N Lake Shore Dr  
Mequon WI 53097

Person to Contact:  
Shawndea Krebs 31-02330  
Customer Service Representative  
Toll Free Telephone Number:  
8:00 a.m. to 8:30 p.m. EST  
877-829-5500  
Fax Number:  
513-263-3756  
Employer Identification Number:  
39-6077337

Dear Sir or Madam:

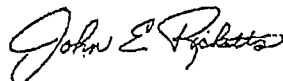
We have received your request for a copy of your organization's exemption application and letter of determination.

We were unable to locate these documents. However, we can affirm that your organization received exempt status in April 1963 and is currently exempt under section 501(c)(3) of the Internal Revenue Code. Because your organization will not be able to provide a copy of its application on request, it should keep a copy of this letter in its permanent records.

If your organization filed for exemption after July 15, 1987, or had a copy of the application on July 15, 1987, it is required to make available for public inspection a copy of its exemption application, any supporting documents, and the exemption letter to any individual who requests such documents in person or in writing. The law also requires you to make your organization's annual return (if you are required to file one) available for public inspection for three years after the due date of the return. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services

THE LUTHERAN CHURCH--MISSOURI SYNOD



International Center  
1333 S. Kirkwood Road  
St. Louis, MO 63122-7295  
(314) 965-9000 Facsimile (314) 965-6108

Accounting Department

Entered in PCG

February 21, 1995

Mr. Duane H. Hilgendorf  
Director of Development  
Concordia University Wisconsin  
12800 N. Lake Shore Dr.  
Mequon, WI 53097-2402

Dear Mr. Hilgendorf:

Enclosed is a copy of the letter from the Internal Revenue Service dated June 3, 1992, which states that the Lutheran Church--Missouri Synod is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

This ruling also covers the Synod's education institutions listed in The Lutheran Annual as updated each year.

Sincerely,

George Horensky  
Executive Director of Accounting

Enclosure

---

### 3.910: Joint Letter Ruling

---

Internal Revenue Service

Department of the Treasury

District  
Director

230 South Dearborn Street  
Chicago, IL 60604

Lutheran Church-Missouri Synod  
Attn: George Horensky  
1333 South Kirkwood Road  
St. Louis, Missouri 63122

Date: JUN 03 1992

Re: 43-0668188

Gentlemen:

In a letter dated January 8, 1965 your organization was issued a group ruling under Code Section 501(c)(3) of the Internal Revenue Code to cover your subordinate units. Based on the information recently submitted it is held that the subordinate units referenced below by category are those to be covered by the group ruling:

1. Your fund-raising and fund-administering entities, presently consisting of The Lutheran Church-Missouri Synod Foundation.
2. Your archives, presently consisting of Concordia Historical Institute.
3. The districts of the Synod existing within the United States, including the circuits within those districts.
4. The incorporated church extension, funds of the Synod and its districts, presently consisting of (i) Lutheran Church Extension Fund-Missouri Synod, (ii) Ohio District Lutheran Church Extension Fund, Inc., (iii) The Church Extension Board of the Michigan District of the Lutheran Church-Missouri Synod, and (iv) The Southeastern District-Lutheran Church Missouri Synod Church Extension Fund, Inc.
5. The institutions of higher education of the Synod.
6. The member congregations of the Synod, including those in the formative stages of membership.
7. The elementary schools, middle schools and junior high schools, and high schools (a) that are operated by member congregations of the Synod and are not separately incorporated, (b) as well as those that are either separately incorporated or are otherwise identified as entities separate from congregations and which have consented in writing to be included in this group ruling.

Donors may deduct contributions to these organization as provided in Section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of Code Sections 2055, 2106, and 2522.

# FEDERAL INCOME TAX EXEMPTION

## THE LUTHERAN CHURCH—MISSOURI SYNOD

The Internal Revenue Service has issued rulings under Internal Revenue Code Section 501 (c) (3), which recognize the exempt status of the Synod and its component parts, and which grant a blanket federal income tax exemption to member corporations, their unincorporated elementary schools, and to those incorporated elementary schools and high schools that consent in writing to their inclusion in the group ruling. These rulings are dated June 3, 1992, and any reference to the Synod's exempt status or to the group ruling should refer to that date. Also, the Synod's group ruling is identified by the number 1709. The existing rulings are applicable to all of the following:

1. All of the Synod's boards, commissions, and councils, including:

- Board for District and Congregational Services
  - Child Ministry
  - Evangelism Ministry
  - Family Ministry
  - School Ministry
  - Youth Ministry
  - including Lutheran Youth Fellowship
- Board for Mission Services, including Lutheran Student Fellowship
- Board for Higher Education
- Board for Communication Services
- Board for Human Care Ministries
  - Districts/Congregations
  - LCMS Health Ministries
  - LCMS World Relief
  - Sanctuary of Life Ministry

- Social Ministry Organizations
- Specialized Pastoral Care and Clinical Education:

- Board for Church Extension
- Board of Managers—Worker Benefit Plans
- Board for Black Ministry Services
- Commission on Doctrinal Review
- Commission on Constitutional Matters
- Commission on Ministerial Growth and Support
- Commission on Structure
- Commission on Theology and Church Relations
- Commission on Worship
- Council of Presidents
- Board for Human Resources

2. Concordia Historical Institute
3. Lutheran Church Extension Fund—Missouri Synod
4. The Lutheran Church—Missouri Synod Foundation
5. Radio Station KFUD
6. Concordia University System
7. Concordia Asia Educational Foundation
8. Synodical Districts operating in the United States, to wit:

Atlantic  
California-Nevada-  
Hawaii  
Central Illinois  
Eastern  
English  
Florida-Georgia  
Indiana  
Iowa East  
Iowa West

Kansas  
Michigan  
Mid-South  
Minnesota North  
Minnesota South  
Missouri  
Montana  
Nebraska  
New England  
New Jersey

North Dakota  
North Wisconsin  
Northern Illinois  
Northwest  
Ohio  
Oklahoma  
Pacific Southwest  
Rocky Mountain  
SELC  
South Dakota

South Wisconsin  
Southeastern  
Southern  
Southern Illinois  
Texas  
Wyoming

9. Incorporated church extension funds of districts, to wit:
  - California-Nevada-Hawaii District Lutheran Church Extension Fund, Inc.
  - Central Illinois District Lutheran Church Extension Fund, Inc.
  - Ohio District Lutheran Church Extension Fund, Inc.
  - Church Extension Fund of the Michigan District of The Lutheran Church—Missouri Synod
  - Southeastern District Lutheran Church—Missouri Synod Church Extension Fund, Inc.

10. The education institutions of the Synod, to wit:
  - Concordia Seminary (the legal name of which is Concordia College), St. Louis, MO
  - Concordia Theological Seminary, Fort Wayne, IN
  - Concordia University, River Forest, IL
  - Concordia University, Seward, NE
  - Concordia College, Ann Arbor, MI
  - Concordia University at Austin, Austin, TX
  - Concordia College, Bronxville, NY
  - Concordia University Wisconsin, Mequon, WI
  - Concordia University, Portland, OR
  - Concordia University, St. Paul, MN
  - Concordia College, Selma, AL
  - Concordia University, Irvine, CA

11. The congregations of The Lutheran Church—Missouri Synod located in the United States and including those listed, by states, in the Directory of Congregations set forth on prior pages of this *Annual*, as well as those in the formative stages of membership, as established by records that exist in the offices of the Synod's districts listed above.

12. The elementary schools, middle schools and junior high schools, and high schools (a) that are operated by member congregations of the Synod and are not separately incorporated, as well as those (b) that are either separately incorporated or are otherwise identified as entities separate from congregations and which have consented in writing to be included in the Synod's group ruling.

The separately incorporated preschools and day care centers that are controlled by member congregations of the Synod and that have consented to inclusion in the group exemption ruling of the Synod, while not expressly included within the scope of the rulings listed above, like separately incorporated elementary schools, middle schools, junior high schools, and high schools that are operated by member congregations of the Synod, are listed among the organizations covered by the federal income tax exemption of the Synod, because they are controlled by congregations of the Synod and are teaching ministries of those congregations.