



Casa de Esperanza Gift Acceptance Policies & Guidelines

Revised August 2025

Purposes and Administration

Casa de Esperanza de los Niños, Inc. and Casa de Esperanza Foundation, 501(c)(3) not for profit organizations organized under the laws of the State of Texas, encourages the solicitation and acceptance of gifts to or for the benefit of the organizations' purposes that will help further and fulfill its mission. This policy governs both Casa de Esperanza de los Niños, Inc. and the Casa de Esperanza Foundation. For purposes of this policy, 'Casa' refers collectively to Casa de Esperanza de los Niños, Inc. and the Casa de Esperanza Foundation, unless otherwise specified.

Casa's Governing Board and Trustees have a fiduciary duty to assume that Casa's assets are used efficiently and protected from potential liabilities and diversion to purposes other than those that further Casa's goals. The purposes of this Gift Acceptance Policy are to:

- a. Guide the Governing Board, Foundation Trustees, staff, and others connect to Casa about their responsibilities concerning gifts to the organizations; and
- b. Guide prospective donors and their professional advisors when making gifts to Casa.

The Governing Board, through the Gift Acceptance Committee as outlined below, is responsible for this policy. The CEO will consult with the Gift Acceptance Committee and when necessary, legal, financial, or real estate consul, when non-standard gifts to the organization are proposed or instances in which use of counsel is deemed appropriate by the Gift Acceptance Committee. Non-standard gifts include but are not limited to real estate, closely held securities, tangible personal property, vehicles, cryptocurrency, and any gift with restrictions or conditions.

Casa will only accept gifts that are legal and consistent with this policy. Casa does not provide legal, tax, or financial advice. Donors are encouraged to consult their own advisors before making a gift.

General Acceptance Standards

Casa de Esperanza staff, Governing Board, and volunteers solicit and accept current and deferred gifts from individuals, corporations, foundations, and others only for the purposes that will further and fulfill the organization's mission.

Casa generally does not accept gifts that create a liability or place a continuing fiduciary obligation on the organization. Casa will not accept gifts that expose Casa to:

Legal and Regulatory Risks

- Violate the terms of Casa's governing documents;
- Jeopardize Casa's tax-exempt status under federal or state law;
- Violate any applicable federal, state, or local laws or regulations;

Financial and Administrative Burdens

- Are financially unsound or impose excessive costs relative to their value;
- Are too difficult, complex, or expensive to administer;
- Contain unreasonable conditions, such as liens or partial interests in property;

Reputational and Ethical Concerns

- Are from companies or individuals whose activities conflict with Casa's mission or may harm its clients;
- Are intended for purposes inconsistent with Casa's values, programs, or strategic direction;
- Include requests for public recognition that conflict with Casa's philosophy of appreciation;
- Are overly restrictive in use or impractical to implement;
- Could expose Casa to legal liability or reputational harm.

Casa will generally not accept gifts with little or no apparent value, or where transactional costs are expected to be a disproportionate share of the gift's value.

Restrictions on Gifts

Casa de Esperanza will accept unrestricted gifts, and gifts for specified programs and purposes, provided that such gifts are consistent with its stated mission, purposes, and priorities. All restricted gifts are subject to review by the Gift Acceptance Committee to ensure they are:

- Legally and financially feasible;
- Aligned with Casa’s current or anticipated programs;
- Not unduly burdensome to administer.

Gifts with restrictions that do not meet these criteria may be declined or renegotiated with the donor.

Gift Acceptance Committee

The Gift Acceptance Committee shall consist of:

- a. President of the Governing Board of Casa de Esperanza
- b. Chair of the Finance Committee of Casa de Esperanza
- c. Chair of the Development Committee of Casa de Esperanza
- d. Chair of the Foundation Board (for Foundation Gifts only)
- e. Ex-officio members shall include the Chief Executive Officer and Chief Development Officer of Casa de Esperanza.

The Gift Acceptance Committee is charged with the responsibility of reviewing gifts proposed to be made to Casa de Esperanza as outlined below. The Committee is responsible for properly screening, accepting, or rejecting those gifts, and making recommendations to the Governing Board on gift acceptance issues when appropriate. The Committee will not typically review unrestricted cash gifts or restricted cash gifts solicited by Casa.

Establishing the Value of Donated Property

It is the policy of Casa de Esperanza to comply fully with the valuation rules set out in [Publication 561](#) of the Internal Revenue Service and the relevant income, gift, and estate tax laws and regulations. Property contributed to Casa de Esperanza that has a value in excess of \$5,000 must be accompanied by a qualified appraisal unless it consists of:

- a. Cash;
- b. Marketable securities;
- c. Closely held securities with a value of \$10,000 or less;
- d. Intellectual property;
- e. Stock-in-trade, inventory, or other property that would otherwise be held by the donor for sale to customers in the ordinary course of the donor’s business; or
- f. Property contributed by a corporation that constitutes a “qualified” contribution as described in Section 170(e)(3)(A) of the IRS Code of 1986, that will be used for the care of the ill, needy, or infants.

The donor is responsible for providing the appraisal. The fee for the appraisal may not be based on the value of the appraised property, and the appraiser must be “qualified,” as that term is used in IRS Publication 561. A qualified appraiser is one who is ordinarily in the business of appraising similar property, has appropriate education and experiential background, who performs appraisals for many people and purposes (and not primarily either Casa or the donor) and who is not employed by Casa, the donor, or any relative of the donor, or any entity controlled by the donor or members of the donor’s family. Duplicate originals of each appraisal should be prepared, one for Casa, and one for the donor.

Casa reserves the right to alter the value of the property contributed to it on the books and records of Casa for accounting, tax reporting, annual fund record keeping, or any other purpose if developments or information comes to the attention of Casa after the gift is completed, and are determined in the discretion of the Committee or Casa’s auditors to merit such an alteration.

Specific Types of Gifts

1. Cash:

Cash is acceptable in all forms including checks, money orders, currency/coin, and credit card payments, including those from Donor Advised Funds. Checks or money orders should be made out to Casa de Esperanza and shall appropriately identify the donor(s). Wire and Electronic Funds Transfers can be arranged with Casa staff.

2. Tangible Personal Property:

Jewelry, artwork, collections, and other personal property shall not be accepted unless there is reason to believe the property can be quickly sold. Casa de Esperanza shall review and decide whether to accept gifts of tangible personal property by considering these factors:

- a. Whether the property furthers Casa’s mission;
- b. The marketability of the property;
- c. Any restrictions on the use, display, or sale of the property; and
- d. Carrying costs and possible liability for the property.

No tangible property will be accepted that obligates Casa to ownership of it in perpetuity. In addition, no perishable property or property which requires special facilities or security to properly safeguard it will be accepted. All gifts of Tangible Personal Property require a qualified appraisal as outlined above.

3. Vehicles:

Casa de Esperanza does not accept vehicles for resale. Minivans or SUVs within the last 5 model years and in excellent condition may be considered for use by the Gift Acceptance Committee. Vehicles donated for use by Casa must be inspected by a Casa-designated mechanic, with the donor being responsible for any needed repairs prior to donation. A qualified appraisal must also accompany the vehicle.

4. Securities:

Casa de Esperanza can accept both publicly traded securities and closely held securities.

Publicly Traded Securities may be transferred to an account maintained by Casa de Esperanza through our designated brokerage firm(s) and can be arranged with Casa's staff. In some cases, marketable securities may be restricted by applicable securities laws; in such an instance the final determination on the acceptance of the restricted securities shall be made by the Gift Acceptance Committee.

Closely held securities, including debt and equity positions in non-publicly traded companies, interest in LLCs, or other ownership forms, may be accepted upon review from the Gift Acceptance Committee with review and recommendations from an outside professional taking into consideration the following factors:

- a. Restrictions on the securities that would prevent Casa from ultimately converting the securities to cash;
- b. The marketability of the securities; and
- c. Any undesirable consequences to Casa from accepting the securities.

As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Gift Acceptance Committee. Every effort will be made to sell non-marketable securities as quickly as possible.

5. Bequests:

Donors may make bequests to Casa de Esperanza under their wills, trusts, and/or beneficiary designations, provided such bequests meet the guidelines outlined in this gift acceptance policy. A bequest will not be recorded as a gift until the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the gift will be recorded in accordance with Generally Accepted Accounting Principles (GAAP).

6. Charitable Trusts and Charitable Gift Annuities:

Casa de Esperanza does not currently accept such gifts.

7. Retirement Plan Beneficiary Designations:

Casa de Esperanza may accept a designation as a beneficiary of a donor's retirement plan. Designations will not be recorded as gifts until the gift is irrevocable. When the gift is irrevocable, the gift will be recorded in accordance with GAAP.

8. Life Insurance:

Casa de Esperanza will generally accept two types of life insurance gifts:

- a. Gift of a paid-up insurance policy
- b. Gift of a new or existing insurance policy, for which the donor intends to continue making payments so that the policy does not lapse.

In either case, the donor must name Casa as both the irrevocable owner and beneficiary of the insurance policy. Casa will not record the gift until it is irrevocable. Once a gift becomes irrevocable, Casa will record the gift in accordance with GAAP.

Casa will generally not accept a life insurance policy with an outstanding loan, premium due, or other liability, or any condition that would preclude the option of converting the policy for cash.

9. Real Estate:

Casa does not typically accept gifts of real estate, though such gifts may be considered on a case-by-case basis in the future. Gifts of real estate are defined to include developed property, undeveloped property, or gifts subject to a prior life interest. In the event that Casa was to accept property, that property must be mortgage-free, salable immediately or in the near-term, and will provide a minimum net value to Casa of \$50,000 taking into account closing, legal, and administrative costs. Mortgaged property will not be considered. Further, Casa will generally not accept a gift involving real property that makes Casa a principal in a real estate partnership, joint venture, or business activity in which Casa participates fully in the risks of the operation and more than limited liability for the conduct of the business. Casa will not accept a remainder interest in a personal residence, farm, or vacation property where the donor or other occupants may continue to occupy the real property for the duration of their stated life or lives. Casa will sell any real estate received as gifts in as timely a fashion as possible, except under unusual circumstances.

Prior to acceptance of real estate, Casa shall require an initial environmental review of the property to ensure that the property has no environmental damage or potential liability. In the event the initial inspection reveals a potential problem, Casa shall retain a qualified inspection firm to conduct an environmental audit. Non-residential properties shall

require a Phase I audit. The cost of environmental reviews and audits shall generally be an expense of the donor.

When appropriate, a title insurance binder shall be obtained by Casa prior to the acceptance of the real property gift. The cost of this title binder shall generally be an expense of the donor.

All potential gifts of real estate will be evaluated by the Gift Acceptance Committee in consultation with counsel as needed. The following factors will be considered in deciding whether to accept real estate:

- a. Whether the property is useful for the purposes of Casa de Esperanza;
- b. The marketability and condition of the property;
- c. Any encumbrances, leases, restrictions, reservations, easements, or other title limitations associated with the property;
- d. Any carrying costs associated with the property including insurance, property taxes, mortgages, notes, or other costs; and
- e. Any concerns revealed by the environmental inspection and/or audit.

10. Cryptocurrency:

Casa de Esperanza does not currently accept cryptocurrency donations. This policy may be revisited as regulatory guidance and nonprofit best practices evolve.

11. Oil, Gas, and Mineral Interests

Casa may accept non-working oil and gas property interests, when appropriate. Prior to acceptance of an oil and gas interest the gift shall be approved by the Gift Acceptance Committee with the advice of Casa's legal counsel, if necessary. Criteria for acceptance of the property shall include:

- a. Gifts of surface rights should have a value of \$25,000 or greater.
- b. Gifts of oil, gas, and mineral interests should generate at least \$5,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
- c. The property should not have liabilities or other considerations that make receipt of the gift inappropriate
- d. The property should undergo an environmental review to ensure that Casa will have no current or potential exposure to environmental liability. The cost of environmental reviews and audits shall generally be an expense of the donor.

12. Other:

All other gifts are subject to review by the Gift Acceptance Committee.

IRS Filings on Sale of Gifts

Casa will file in a timely manner all applicable IRS forms associated with the types of gifts enumerated in this policy. This includes, but is not limited to, IRS Form 8282, which must be filed when Casa sells, exchanges, or otherwise disposes of donated property (valued over \$5,000) within three years of the date of receipt. Casa will also provide the donor with a copy of the form as required by the IRS.