



## **Operación San Andrés GIFT ACCEPTANCE POLICY**

Operación San Andrés (OSA) is a not-for-profit 501(c)(3) organization organized under the laws of the state of Texas, fulfilling the vision of Dr. Luis A. Campos and his wife Ruth. OSA's ministry efforts are focused on children and families living in poor, underserved communities of Peru. The mission of Operación San Andrés is to alleviate the effects of poverty in Peru by transforming families through the love of Christ. To achieve this goal, our staff in Peru develops and manages sustainable programs that meet physical needs, build healthy relationships, and create spiritual transformation.

The unique ministry of OSA is made possible by support and financial gifts from individuals, churches and other organizations that believe in OSA's vision, mission, and ministry. OSA relies upon contributions for 90 percent of its annual budget.

These policies and guidelines govern the acceptance of gifts by OSA and provide guidance to prospective donors and their advisors when making gifts. These policies shall apply to all gifts received by OSA for any of its programs or services, whether given directly to OSA or thorough any partner organizations.

### **I. Authority to Accept Gifts**

OSA's Executive Committee (EC) and Executive Director – Peru (ED-P) shall each have the authority to accept gifts on behalf of OSA. When appropriate, the EC and ED-P shall seek the advice of legal counsel in matters relating to acceptance of gifts on behalf of OSA. OSA reserves the right to refuse any gift, including gifts that are inconsistent with OSA's mission, purpose, or independence.

### **II. Authority to Give Legal and Financial Advice**

OSA does not provide legal, financial or tax advice. Prospective donors shall be strongly urged to seek the assistance of personal legal and financial advisors in matters relating to their gifts and any resulting tax and estate planning consequences.

### **III. Independence**

- A. OSA maintains independence and responsibility for its ministry and activities in both the United States and in Peru. Donors do not direct or manage ministry activities or staff. OSA reserves the right to reject any gift that may compromise its independence or harm its financial sustainability.
- B. Accepting a gift is not an indication that OSA endorses a donor, organization, or viewpoint.
- C. OSA does not accept gifts from political parties, candidates or organizations closely aligned with them.
- D. OSA does not accept anonymous gifts. OSA believes in transparency regarding financial support. OSA shall honor the confidentiality of gifts received at the request of the donor and in accordance with IRS regulations.

### **IV. Acknowledgment of Gifts**

OSA shall promptly acknowledge each gift. Donation receipts shall be provided in accordance with IRS regulations. Specific requests about acknowledgment will be honored when consistent with OSA's policies and practices and as allowed by IRS regulations.



## **V. Restricted or Designated Gifts**

OSA acknowledges that there may be circumstances when a donor desires to designate a gift that benefits a specific individual or family. This is strongly discouraged as it can risk OSA's not-for-profit status and compromise OSA's ability to provide an IRS-appropriate donation receipt for such gift. The donor may be asked to remove the specific designation and direct funds to an appropriate program or ministry activity.

OSA will honor donor-imposed restrictions or designations on gifts that are consistent with OSA's tax-exempt mission. OSA reserves the right to refuse a gift if it is determined to be outside of the mission. If a proposed donor-imposed restriction or designation would be illegal, unethical, or inconsistent with OSA's tax-exempt mission, OSA shall respectfully decline the gift unless the donor agrees to make the gift without restriction.

## **VI. Types of Gifts Accepted without Review**

### **A. Cash**

OSA will accept all gifts of cash in any form to support its mission. Cash gifts may also be made via credit card transactions at [www.operacionsanandres.org](http://www.operacionsanandres.org). Cash gifts shall normally be received in U.S. currency.

### **B. Publicly Traded Securities**

OSA can accept publicly traded and closely held securities. As a rule, all marketable securities shall be sold upon receipt, unless otherwise determined by the Executive Committee.

### **C. Qualified Charitable Distributions (a/k/a, IRA Charitable Rollover)**

OSA accepts gifts in the form of IRA charitable rollovers (currently, where a donor age 70½ or older transfers up to \$100,000 annually directly from his or her IRA to a qualified charity, such as OSA). The donor does not recognize the distribution to OSA as taxable income, but at the same time is not eligible to claim a Code Section 170 charitable deduction for the distribution.

### **D. Donor Advised Funds**

OSA welcomes gifts from Donor Advised Funds. Gifts shall be acknowledged in accordance with IRS regulations. That is, OSA shall not provide the normal charitable donation receipt for such gifts but will acknowledge to the donor who has directed the gift that the gift has been received from the donor advised fund.

### **E. Bequests**

Donors and supporters of OSA are encouraged to make bequests to OSA under their wills and trusts. Such bequests will not be recorded as gifts to OSA until such time as the gift is received. OSA retains the right to partially or totally disclaim any bequest should it determine the property bequeathed is not in accordance with these guidelines.

### **F. Life Insurance Beneficiary Designations**

Donors and supporters of OSA are encouraged to name OSA as beneficiary or contingent beneficiary of life insurance policies. Such designations shall not be recorded as gifts to OSA until such time as the gift is received.

### **G. Retirement Plan Beneficiary Designations**

Donors and supporters of OSA are encouraged to name OSA as beneficiary of their retirement plans, including IRAs. Such designations will not be recorded as gifts to OSA until such time as the gift is received.



## VII. Types of Gifts Requiring Review by the Executive Committee

### A. **Tangible Personal Property**

A gift of tangible personal property should be accepted only when a review indicates that the property is readily marketable. No personal property shall be accepted under conditions that obligate OSA to continue to own the property for a time certain or in perpetuity. In addition, no perishable property or property that would require special facilities or security to be properly safeguarded shall be accepted. In general, tangible personal property given to OSA shall be sold as soon as practical following receipt.

### B. **In-Kind Gifts**

In-kind gifts and services will be accepted if they can be used immediately by OSA. In-kind gifts over \$2,500 require approval of the Executive Committee unless such gifts and services are requested or solicited by OSA staff or volunteers. In-kind gifts and services will be acknowledged in compliance with IRS guidelines, gifts of in-kind services normally not being qualified to be considered as charitable donations. Ordinary or regular volunteer service to or for the benefit of OSA, while deeply appreciated, shall not be considered to be or acknowledged as an in-kind gift.

### C. **Closely Held Securities**

Closely held securities may be accepted only after consultation with legal and financial counsel. Closely held securities are interests in closely held or non-publicly traded entities, including, without limitation, sole proprietorships, general and limited partnerships, corporations, real estate investment trusts (REITs), and limited liability companies. Review shall consider the marketability of the interest, any restrictions on its sale, any potential liability associated with the holding of such interest, and any tax consequences for OSA related to the holding and/or disposing of such interest. In general, all closely held securities shall be sold as soon as practical after their receipt unless otherwise determined by the Executive Committee.

### D. **Real Estate**

In general, all gifts of real property will be referred to the Executive Committee for consideration. The Executive Committee may require a minimum market value of property considered. Gifts of real property may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, an initial environmental review of the property will be—donations of residential property normally being excepted—required to ensure that the property is free of environmental damage and liabilities. If the initial inspection reveals a potential problem, a qualified inspection firm may be retained to conduct an environmental audit. The prospective donor must bear the cost of the initial environmental review and any subsequent environmental audit. When appropriate, a title binder shall be obtained by OSA prior to the acceptance of the real property gift. The cost of the title binder will be borne by the donor.

The following general criteria will be considered when reviewing potential gifts of real estate:

1. Is the property marketable and is the property highly likely to be sold within one year?
2. Are there restrictions, reservations, easements, or other limitations associated with the property?
3. Are there carrying costs associated with the property, which may include insurance, property taxes, mortgages, notes, etc.?
4. Does the audit reflect that the property is free of environmental damage and other liabilities?



**E. Oil, gas, and mineral interests**

All gifts of oil, gas, and mineral interests, including royalty interests, will be referred to the Executive Committee for consideration. The Executive Committee may require a minimum market value of the interest being offered and shall consider the cost, including property tax and administrative costs, of carrying the mineral interest by OSA as compared to its current and potential revenue.

**VIII. Other Types of Gifts:**

The following types of gifts, and any other gifts not mentioned above, will be reviewed by the Executive Committee on a case-by-case basis to determine appropriate disposition or refusal of the gift:

- A. Charitable Gift Annuities
- B. Charitable Remainder Trusts
- C. Charitable Lead Trusts
- D. Revocable Trust Agreements
- E. Life Insurance Ownership
- F. Gifts of foreign currency or media of exchange other than US currency

**IX. Miscellaneous Provisions**

Appraisals and legal fees: It will be the responsibility of the donor to secure an appraisal (when required by IRS regulations) and assume any other associated costs and fees including independent legal counsel for all gifts made to OSA. OSA will acknowledge receipt of a completed gift when requested by donor on IRS Form 8283. OSA shall not provide to donor a value for any gift outside of IRS regulations.

**X. Changes to Gift Acceptance Policy**

These policies and guidelines have been reviewed and accepted by the OSA Executive Committee and the full OSA Board of Directors. The Executive Committee must approve any changes to, or deviations from, these policies.

Approved on the 10th day of November, 2022 by the OSA Board of Directors.

SIGNED BY:

  
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Todd Jurek  
President, OSA Board of Directors