

**USDF National Endowment  
Gift Acceptance and Crediting Policy  
4-29-2012**

**Purpose**

This Gift Acceptance and Crediting Policy will provide guidelines to representatives of USDF who may be involved in the acceptance of gifts, to outside advisors who may assist in the gift-planning process, and to prospective donors who may wish to make gifts of any kind to the USDF. This policy is intended only as a guide and allows for some flexibility on a case-by-case basis.

This policy reflects contemporary industry best practices and the rules and regulations established by the IRS for 501-c-3 organizations and institutions.

**Gift Review Process**

While this policy sets forth how gifts will be accepted and credited as unambiguously as possible, there may be instances where the donor has requested an exception to the policy or where the circumstances surrounding the gift are inconsistent in some way with the applicable part of the policy. In such cases, the Management Committee of the Executive Board (“Management Committee”) will bear the responsibility of considering and adjudicating the issues at hand, but it may elect, at some future point, to create a sub-committee for the sole purpose of implementing this policy.

In cases where the magnitude or complicated nature of the situation warrants, or where a related USDF organizational policy is involved, the Management Committee will refer the issue to the Executive Board.

**Sources of Gifts**

*Cash and Cash Equivalents*

1. All gifts of cash or by check shall be accepted by USDF regardless of amount and credited at full face value.
2. Checks shall be made payable to “United States Dressage Federation” or “USDF.” In no event shall a check be made payable to an individual who represents USDF in any capacity.

*Publicly Traded Securities*

1. Readily marketable securities, such as those traded on a stock exchange, can be accepted by USDF.

2. For gift crediting and accounting purposes, the value of the gift of securities is the mean of the high and low prices on the date of the gift, irrespective of the proceeds realized when the securities are sold...
3. Gifts of securities to USDF normally will be liquidated immediately. The net proceeds of the transaction, whether higher or lower than the value of the securities on the day the gift is made, will not affect the donor's gift credit for tax deduction purposes. If circumstances warrant, the Management Committee may elect to hold the securities until some later date.

#### *Closely Held Securities*

1. Non-publicly traded securities may be accepted after consultation with the Management Committee.
2. Prior to acceptance, the Management Committee will explore methods and timing of liquidation of the securities through redemption or sale. The Management Committee will try to determine:
  - a. an estimation of fair market value;
  - b. any restrictions on the proposed transfer; and
  - c. whether and when an initial public offering might be anticipated.
3. No commitment for repurchase of closely held securities shall be made prior to completion of the gift of the securities.

#### *Real Estate*

1. Any offer of a gift of real estate must be reviewed by the Management Committee.
2. The donor normally is responsible for obtaining and paying for an appraisal of the property. The appraisal will be performed by an independent and professional agent, based upon a personal visitation and internal inspection of the property by the appraiser. Also, whenever possible, it must show documented valuation of comparable properties located in the same area. The formal appraisal should include photographs of the property, the tax map number, the assessed value, the current asking price, a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation, or title disputes.
3. USDF reserves the right to require an environmental assessment of any potential real estate gift.
4. The donor may be asked to pay for all or a portion of the following: maintenance costs, real estate taxes, insurance, real estate broker's commission and other costs of sale, or appraisal costs.

5. For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate; however, this value may be reduced by costs of maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.

#### *Life Insurance*

1. Any offer of a gift of a life insurance policy must be referred to the Management Committee.  
Gifts of fully-paid up life insurance policies in which the USDF is named as both beneficiary and owner will be credited at the cash surrender value of the policy, calculated as of the date on which the gift is made. Gifts of term life insurance policies or insurance policies which are not fully paid-up at the date of gift, even though the USDF may be both the owner and beneficiary, will be credited only to the extent of guaranteed policy cash surrender values at the date of gift or to the extent such values accumulate over the term of the policy. Pledges to make premium payments on policies in which the USDF is named as both owner and beneficiary will be counted as outstanding pledges.

#### *Tangible Personal Property*


1. Any proposed gift of tangible personal property (art, jewelry, collections, equipment, software, et al) shall be referred to the Management Committee prior to acceptance.
2. Any such gift shall be assessed for its value to USDF, which may be realized either by being sold or by being used in connection with USDF's exempt purpose.
3. Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value.
4. USDF shall adhere to all IRS requirements relating to disposing of gifts of tangible personal property and will provide appropriate forms to the donor and IRS.

#### *Planned Gifts*

1. USDF encourages planned gifts (also known as deferred gifts) in its favor through any of a variety of vehicles:
  - a. charitable gift annuity
  - b. pooled income fund
  - c. charitable remainder trust
  - d. charitable lead trust
  - e. bequest
  - f. retained life estate

2. USDF (or its agent) shall not act as an executor (personal representative) for a donor's estate. A member of the USDF staff serving as personal representative for a member of the USDF does so in a personal capacity, and not as an agent of the USDF.
3. USDF (or its agent) shall not act as trustee of a charitable remainder trust.
4. When donors are provided with planned giving illustrations or form documents, these will be provided free of charge. For any planned-gift-related documents, materials, illustrations, letters, or other correspondence, the following disclaimer should be included:  
  
*We strongly urge that you consult with your attorney, financial and/or tax advisor to review and approve this information provided to you without charge or obligation. This information in no way constitutes advice. We will gladly work with your independent advisors to assist in any way we can.*
5. All information obtained from or about donors/prospects shall be held in the strictest confidence by USDF, its staff and volunteers. The name, amount, or conditions of any gift shall not be published without the express written or oral approval of the donor and/or beneficiary.
6. When needed, USDF will seek qualified professional counsel in the exploration and execution of planned gift agreements. USDF recognizes the right of fair and just remuneration for professional services.
7. The Management Committee reserves the right to decline any gift that does not further the mission or goals of the USDF. Also, any gifts that would create an administrative burden or cause the USDF to incur excessive expenses may be declined.

Adopted by action of the USDF Executive Board this 29<sup>th</sup> day of April, 2012.

  
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George W. Williams  
USDF President

July 17, 2012  
Date