



Heartland Equine Therapeutic Riding Academy Gift Acceptance Policy and Guidelines

I. Introduction:

The purpose of this policy is to ensure that gifts accepted by Heartland Equine Therapeutic Riding Academy, HETRA, a 501 (c) (3) nonprofit corporation, are related to and advance the mission of HETRA and that the acceptance of any gift does not adversely affect the organization's designation as a charitable organization under Section 501(c)(3) of the Internal Revenue Code, or the organization's reputation, credibility, or capacity to fulfill its mission. HETRA reserves the right to reject any gift that is inconsistent with this policy.

HETRA does not advise donors as to the tax and estate planning consequences of their gifts and urges all prospective donors to seek the advice of professional legal, tax, and financial advisors prior to making gifts.

II. Use of Legal Counsel

Gifts that require HETRA to act in any fiduciary capacity, or those that name HETRA as a trustee or title holder, will require the advice of legal and financial advisors and the approval of both the Executive Director and the Finance Committee of the Board of Directors prior to acceptance of the gift. Review by counsel is recommended for:

- A. Gifts of securities that are subject to restrictions or buy-sell agreements.
- B. Documents naming HETRA as trustee or requiring HETRA to act in any fiduciary capacity.
- C. Gifts requiring HETRA to assume financial or other obligations.
- D. Transactions with potential conflicts of interest.
- E. Gifts of property which may be subject to environmental or other regulatory restrictions.

III. Restrictions on Gifts

HETRA will not accept gifts that (a) would result in HETRA violating its corporate charter, (b) would result in HETRA losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for HETRA, or (e) are for purposes outside HETRA's mission.

Gifts that may require repair, maintenance, insurance or other resources to be expended by HETRA which are out of the ordinary must be approved by the Executive Committee of the HETRA Board of Directors prior to the gift's acceptance. Equines and any other animals that are offered for donation must be in good health and suitable for the program, and must have the approval of the Horse Manager prior to the animal being accepted.

IV. Gifts Generally Accepted Without Review

- **Cash:** Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express), card number, expiration date, and name of the card holder as it appears on the credit card.

- **Marketable Securities.** Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by HETRA's Finance Committee. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the Finance Committee.
- **Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans -** Donors are encouraged to make bequests to HETRA under their wills, and to name Heartland Equine Therapeutic Riding Academy as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- **Charitable Remainder Trusts -** HETRA will accept designation as a remainder beneficiary of charitable remainder trusts.
- **Charitable Lead Trusts.** HETRA will accept designation as an income beneficiary of charitable lead trusts.

V. Gifts Accepted Subject to Prior Review

Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:

- **Tangible Personal Property -** Executive Director shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?
 - If valued over \$10,000 the Finance Committee shall approve the donation.
- **Donation of Animals -** Equines and any other animals that are offered for donation must be in good health and suitable for the program, and must have the approval of the Horse Manager, after a trial period, prior to the animal being accepted.
- **Life Insurance -** HETRA will accept gifts of life insurance where Heartland Equine Therapeutic Riding Academy is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.
- **Real Estate -** All gifts of real estate are subject to review by the Finance Committee. Prior to acceptance of any gift of real estate other than a personal residence, HETRA shall require an initial property inspection by a qualified firm
 - Criteria for acceptance of gifts of real estate include:
 - Is the property useful for the organization's purposes?
 - Is the property readily marketable?
 - Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property?
 - Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
 - Does the property inspection and appraisal reflect that the property is damaged or otherwise requires remediation?

VI. Gift Acknowledgement

HETRA will provide a prompt written acknowledgement of every gift with a description of goods or services, if any, provided by HETRA in exchange for the gift. In addition, donors' gifts will be properly recognized with thank you notes and other timely correspondence.

VII. Valuation of Gifts

HETRA will not assume responsibility for providing a value of the gift to the donor unless the item donated is intended to be sold. If the item donated is intended by the donor to be sold, then HETRA will advise the donor of the sales proceeds received. If the donated item is not intended to be sold, the donor shall be solely responsible for determining a fair market value of the item donated for purposes of tax reporting on the donor's individual tax return.

The Board of Directors will approve this Gift Acceptance Policy but the policy may change from time to time so please check back periodically. If, at any time, you have questions or concerns about HETRA's gift acceptance policy, please feel free to contact us at HETRA@HETRA.org.