

## **U.S. SQUASH GIFT ACCEPTANCE POLICIES AND PROCEDURES**

U.S. SQUASH is a not-for-profit 501(c)3 organization that relies on the generosity of its friends and supporters to help fund its programs, which are designed to build a bright future for squash. Each contribution has a direct impact on our efforts to increase participation, to build awareness of squash, to provide programs that allow people to access the sport, and to enrich players' experiences.

U.S. SQUASH's mission is to enhance people's health and well being by increasing participation in squash, to enrich the experiences of our members of all ages, and to build awareness of the sport, valuing excellence, professionalism and fiscal responsibility. Our vision is for all people to have the opportunity to enhance their health and well being through the sport of squash.

### **GIFTS DEFINED**

A gift is defined as any transfer of personal or real property made voluntarily and without consideration.

The Association reserves the right to refuse any proposed gift. In conformity with U.S. Treasury Department regulations governing Associations, gifts to U.S. SQUASH may not be directly or indirectly subjected by a donor to any material restriction or condition that would prevent the Association from freely and effectively employing the transferred assets, or the income derived therefrom, in furtherance of its exempt purposes.

### **NON-GIFTS**

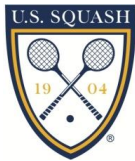
Payments for goods, services or registrations are considered operating revenue and may not be deposited to gift accounts.

### **GIFT TRANSMITTAL**

All gifts to U.S. SQUASH should be directed through the Development Department, where they are properly acknowledged and recorded. When cash, checks, or other assets are sent for deposit, they should be accompanied by a completed gift transmittal form with the following information: intended gift designation; name of responsible person to whom acknowledgement should be sent, particularly in the case of corporate checks; plus copies of all correspondence relating to the gift.

Checks should be made payable to U.S. SQUASH. Title to gifts of Securities and Real Property should be transferred to U. SQUASH.

For Gifts-in-Kind, the following documentation may be required: donor's letterhead or other standard documentation such as a catalogue or published price list giving the value and description of the equipment or products, usually including product identification numbers; any terms of the donation; and a packing slip or other paperwork to verify receipt of the gift. In addition, a qualified appraisal



must be submitted for any gift-in-kind of \$5,000 or more in value. For all gifts-in-kind, the physical location of the gifted item must be included on the gift transmittal form.

## **GIFT DESIGNATIONS**

### Restricted Gift

This is a gift for a specified purpose clearly stated by the donor. It cannot be used for another purpose without donor consent.

These may include specific campaigns such as Junior Development Fund, National Teams Fund, Hardball Singles and others.

### Unrestricted Gift

This is a gift that is available for the Association to use toward any purpose/operating expenses. (i.e. Annual Fund).

The Annual Fund provides a major source of funding for U.S. SQUASH's core programs and allows U.S. SQUASH to use funds where it is needed most.

## **TYPES OF GIFTS**

Gifts to U.S. SQUASH may take a variety of forms. Many are outright gifts by living donors. Some are bequests that take effect upon the donor's death. Others are gifts of securities. In keeping with its official gift acceptance policies, U.S. SQUASH may accept the following types of contributions:

### ***Outright Gift***

This is a donation of cash or other assets such as stock, real estate or personal property. Outright gifts include cash, securities (stocks and bonds), real estate, tangible personal property, matching gifts and gifts-in-kind.

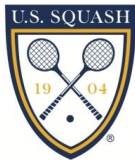
#### Cash

The Association may accept outright cash gifts in any amount. Gifts made to establish a named fund at U.S. SQUASH must meet the minimum funding requirements set by the Board (currently \$50,000).

#### Securities

Publicly-traded securities, shares of stock in closely held companies, bonds, and government issues may be given to U.S. SQUASH.

*Publicly-Traded Securities:* These are securities regularly traded on a public stock exchange. Gifts of publicly-traded securities will generally be sold as soon as possible,



and the fund the donor established will be credited with the proceeds from the sale, after commissions and expenses, if any.

*Closely-Held Securities:* These are shares of stock in the entities, which have been organized for profit-making purposes, and are rarely traded on stock exchanges. Donors may give shares of closely-held corporate securities to U.S. SQUASH in the same manner as publicly traded securities. However, because closely-held stock is not publicly-traded, these securities present special concerns.

*Receipt of Stock:* Donations of stock should be delivered to U.S. SQUASH in person, to the donor's broker for transfer to U.S. SQUASH's broker, or mailed to the Association. Bearer bonds and street bonds should not be mailed since they are negotiable.

#### Tangible Personal Property

Tangible personal property may be accepted as a gift, provided that (1) such property is saleable and (2) the donor agrees that the property can be sold at U.S. SQUASH's discretion. The donor is responsible for obtaining a qualified appraisal prior to completing the gift.

#### Matching Gifts

Many companies offer matching gift programs, in which the company matches employee contributions to an organization. Most programs match contributions dollar for dollar - an easy way to double your impact. As each program has different guidelines and procedures, please check with your Human Resources department to determine their requirements and specific process.

#### Gift of Services

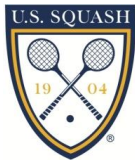
Services -- while crucial and very appreciated -- are not tax-deductible to donors beyond out-of-pocket expenses associated with the service. The Association does not issue gift receipts or acknowledgements for such out-of-pocket expenses.

#### ***Gifts to Endowment Funds***

These gifts are added to an investment fund set up by U.S. SQUASH in which income from the invested capital is used for ongoing operations or other specified purposes. U.S. SQUASH has two endowment funds managed by the Investment Committee: a general endowment fund and the Junior Fund, which funds programs or organizations providing squash instruction to junior players ( with the primary focus of providing affordable access to squash to those who wish to learn), as well as support for the U.S. Junior Team.

#### ***Planned Gift Vehicles***

Donors may wish to contribute to U.S. SQUASH's future by creating a trust while they are living or by including the Association in their wills. Although cash contributions are always appreciated, there are other creative and flexible options that can benefit the donor and the Association.



All prospective donors shall be urged to seek their own counsel in matters relating to planned gifts and tax and estate planning. U.S. SQUASH will seek legal counsel as it deems necessary.

Donors are encouraged to recognize that over the many years following the establishment of an endowment, the needs, policies, and circumstances of the Association can change in unforeseen ways. U.S. SQUASH must have the flexibility to make use of funds in the best interest of the institution and in accordance with donor interests and specifications. Thus, donors are advised to describe the specific purposes of their gifts as broadly as possible and to avoid detailed limitations and restrictions.

*Bequests:* A bequest is a gift of any amount or form made to U.S. SQUASH in a donor's will. Bequests may provide for a specific dollar amount in cash, specific securities, specific articles of tangible personal property, or be established as indicated in the section on "Outright Gifts". A gift in any amount may be accepted as a contribution to an existing fund as long as the terms and conditions of the existing fund so permit.

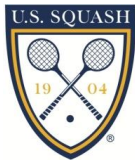
Among donors' options are residuary and contingent bequests. A residuary bequest will give U.S. SQUASH all or a portion of the estate after all debts, taxes, expenses, and all other bequests have been paid. A contingent bequest will ensure that, despite unforeseen circumstances, specified property will pass to the Association rather than unintended beneficiaries.

*Life Insurance:* U.S. SQUASH may accept gifts of life insurance policies, provided that U.S. SQUASH and the donor reach a prior written agreement about arrangements for the payment of any required premiums.

*Charitable Gift Annuities:* These are contracts between U.S. SQUASH and the donor. In return for a gift of cash or marketable securities, the Association guarantees to pay to the donor and his or her survivor, if so specified, a fixed annual annuity in equal installments until the death of the surviving annuitant. U.S. SQUASH's obligation to pay the annuity amount is guaranteed and secured by all assets of U.S. SQUASH, not merely those exchanged for the annuity contract. Because of this guaranteed obligation, no gift annuity amount shall be used for the intended purpose, but shall remain fully funded, until the Association's obligation to make annuity payments has been terminated.

#### *Charitable Lead Trust*

A charitable lead trust is an arrangement whereby income generating assets may be placed in a trust with U.S. SQUASH for a designated period of years, after which period the assets transfer to non-charitable beneficiaries named by the donor. The trust is called a "lead" trust because the income interest paid to U.S. SQUASH "leads" or precedes the "remainder" interest paid to the beneficiaries.



### **FEDERAL AND STATE TAX INFORMATION**

U.S. SQUASH is exempt from income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. Gifts made are charitable contributions for federal and state tax purposes and are deductible by donors in computing corporate, partnership, gift, estate, and personal income taxes.

### **ACKNOWLEDGING AND RECOGNIZING DONORS**

A formal acknowledgement letter for cash or securities donations is sent to each donor upon acceptance of the gift and serves as a tax receipt. U.S. SQUASH will formally acknowledge non-cash gifts in a letter containing a description of the donated item, although the actual fair market value will not be stated. Receipts and acknowledgements are necessary to ensure that gifts are deposited correctly and also serve as additional verification of a tax-deductible gift for the donor.

### **SPENDING POLICY**

U.S. SQUASH applies a “spending policy” to most endowed funds (i.e., most funds except donor advised funds). The spending policy defines the amount of money that can be disbursed from a fund each year. The goal of the spending policy is to position the funds to maintain a balance between long-term investment growth and annual grant distributions. The spending policy accomplishes two important goals. First, the “purchasing power” of the endowment (i.e., corpus adjusted for inflation) is maintained, and this preserves a fund’s ability to meet the future needs of the community. Second, application of the spending policy reduces the endowment’s vulnerability to significant fluctuations in the stock and bond markets. By averaging market values over an extended period of time, the endowment is less affected by sharp, short-term market fluctuations. This allows for steadier levels of spending and continued growth – both of which may be advantageous to the beneficiaries of the fund over the long term. The grant recipients’ budget planning and forecasting abilities can be significantly enhanced by this methodology.

**For more information about U.S. SQUASH’s Gift Acceptance Policies and Procedures, contact the Development Office at [development@ussquash.org](mailto:development@ussquash.org) or 212.268.4090.**