

November 8, 2010

Update to the Differences Registered Club vs. Riding Center

As we have made progress in the work on changing the governance structure of the Riding Center Program we have cause to update the chart that lists the differences between the two. Below is an update that reflects the most current plan.

Club	Center
Is its own entity.	Operated in a privately owned facility or barn.
Managed by DC with possible assistance of one or more Jt-DC(s) – recommended by Club Sponsors to RS for appointment	Administered by a Center Administrator with possible assistance of one or more Assistant Center Administrator(s) - appointed by the Facility Operator.
Formation - Recommended by RS, Application to become a Registered Club + Articles of Organization, signed Trademark Agreement, +formation fee, +CM dues	Formation – Recommended by RS, Contract Agreement with USPC, signed Trademark agreement, +proof of insurance, + formation fee, +CM dues
Non-profit under the umbrella of the USPC 501(c)3	Does not fall under the umbrella of the USPC 501(c)3 Not eligible for non-profit status under USPC 501(c)3 umbrella. Some facilities that have a Riding Center Program may ALSO be a non-profit facility with their own non-profit status.
Requires active parent and volunteer involvement	Parental involvement varies either by choice of the facility operator or by circumstances.
Decisions made by Club Sponsors and implemented by DC	Decisions made by facility operator and implemented by CA
No Annual Fee	Annual Fee due with contract renewal
Can raise funds using their own name, the Pony Club name in any form and as a non-profit <u>can provide a letter to donors for their tax purposes</u>	Can raise funds to “benefit” the Riding Center Program and can use the name USPC in any form so long as it is clear that the monies raised are not tax deductible and as such the Center <u>cannot provide a letter to donors for their tax purposes</u> . Note: Refer to the Fundraising Statement below.
In most cases payment of member’s dues and fees to USPC are made with a club check	In most cases member dues and fees are made with personal checks, not facility or center check. Exception is if a Center should extend a “scholarship” to a member.
Must have 5 Sponsors of Record to maintain active status.	Does not have Sponsors.
No minimum number of members	No minimum number of members.
The DC selects examiners for club ratings and may conduct the rating themselves or select someone from within the club to do a rating. It is strongly recommended that all ratings above the D1 be conducted by someone who is not connected with or who does not work with club members on a regular basis.	The CA selects examiners for center ratings and may conduct the rating themselves or select someone from within the center to do a rating. It is strongly recommended that all ratings above the D1 be conducted by someone who is not connected with or who does not work with center members on a regular basis.
Required to comply with all USPC, Regional and Club by-laws, policies and rules.	Required to comply with USPC and Regional By-laws as applicable and rules and to USPC Policies as stated in attachment to contract agreement. Centers are expected to comply with regional policies as applicable.

Fundraising Statement

A fundraising endeavor can be run by any center to raise funds for its own benefit & operations. Examples would be a for-profit horse show or camp. The participants in the fundraiser pay a fee to participate which help the center cover the expenses of the activity and may also provide a profit to the center. Any fees paid to the center are not tax deductible as a charitable expense to the donor/ participant.

Sometimes a fundraiser is run “as a benefit for” another organization, which usually is a non-profit. An example would be a 5k run which is a benefit for the local humane society. Profits from the activity would be forwarded to the non-profit after the expenses of the activity were paid. A center could run a fundraiser and it could be a benefit for USPC, their USPC Region, another local club or another local charity—meaning, the profits of the fundraiser would pass through to another entity. However, these fees are still not tax-deductible to the donor because the funds were not donated directly to a qualified charitable organization. The only donor who would be eligible for a tax donation letter from the charity in this case would be the center. The “as a benefit” part merely serves as a message to the public about the intentional use of some part of any profits which might be made by the fundraiser.

We do allow a center to use “recognized Pony Club Riding Center” as part of their advertising and promotion. However, we need to caution centers against using this terminology in any way which might mislead donors into thinking their donations/ entries/ dues would be tax-deductible. This is clearly spelled out in the contract under “Status of Parties” which specifically prohibits a Center from making statements which infer tax exempt status associated with being a USPC Riding Center or statements which infer that any money given to the Center will entitle the donor to a tax exemption. The IRS regulations on this have been significantly beefed up in the past few years so that you MUST have a written acknowledgement from the tax exempt organization in order to be able to claim any charitable contribution on your Schedule A Itemized Deductions, and a USPC Center does not qualify to produce such a document unless it has independently obtained its own tax exempt status.