



Perspectives on Acquiring Horses for Your Program

Donation, Leasing and Logistics

By Julia Bozzo



As directors, we have all received calls like this...

[Friday, 4:47 pm. The phone rings.]

- ***Hello.***
- ***I have a horse that I know would be great for you.***
- ***Can you tell me a little bit about him?***
- ***He's wonderful, he adores kids but just isn't able to do what I need him to do anymore.***
- ***How old is he?***
- ***32, but in pretty good shape as long as you don't ask him to.....***

We cannot provide equine assisted activities without a horse. There are different methods of obtaining appropriate horses for our programs. We can beg, borrow, breed, buy or acquire horses from donors. But the most common questions from centers surround the latter: donated horses.

It is important for NARHA centers to educate people on what kind of horses our programs use. Often we are offered older horses with special needs themselves. These are not all bad, but many centers' needs are better filled by younger, stronger horses with years of use ahead of them. Potential donors may have never considered donating a young, sound, well-trained horse to a therapeutic program. But these same owners are often more concerned

about finding "good homes" for their horse than they are about getting top dollar for them, so donation (and the resulting tax deduction) is actually a very good option.

Equine assisted programs need to be very clear on what our centers can offer these horses and their donors. First, if the center is set up as a qualifying non-profit, we can offer donors the opportunity to qualify for a tax deduction. Second, centers offer food, lodging, maintenance and veterinary care for the donated horse. We also offer the horse a job, which includes helping others.

Each center needs to be very specific about the care and use of the donated horse, and the details should

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TIME
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be included in a contract between the donor and the center. I tell people, and include in my contract, that things will be done for the horse's well-being, to the best of our abilities. My contract also states that the horse's use, training and care will be within the guidelines set by NARHA. Be careful here to include

everything you may be doing with the horse, including riding lessons, shows, horse trails and trail rides. Invite the donor to see your center and your horses. We have a policy at our riding center to never say a negative word about our horses, and I let the donor know about this.

Regardless of how you find them, value and cherish your horses. Our horses are a huge part of the

connection we have with our clients and our community. Horses are the backbone, literally, of our riding programs and are worth far more than money can buy.

The forms that Little Bit uses are saved to the files section of the NARHA Administrator's listserve. If you are not a member and would like to join, or need help accessing the files, please contact:

Kathy Alm at executivedirector@littlebit.org

Tips on the Horse Donation Process

Be creative and persistent when looking for donated horses. There are many ways to find potential donors, including just waiting for a call. More active approaches include contacting other centers, 4-H clubs, pony club leaders, telling your volunteers and talking to other stables and riders, placing ads in journals, newspapers and online, and posting ads and information at stables and feed stores. Emphasize that you need "quality horses." The contacts you make also serve to promote your center and your volunteer opportunities.

- Identify your needs, capabilities for care and policies.
- Do not take a donated horse that you would not buy if you had the available income.
- Identify the ideal horse for your present needs.
- Identify the ideal horse for your future needs.
- Assess what you can or cannot deal with as far as training, soundness, feeding, etc.
- Make sure a "pre-purchase" vet check is in your center's policy for acquiring horses (at any or no price). The cost of caring and feeding a horse is unrelated to the price paid.
- State clearly in the contract with the donor that all control and responsibility for the horse's care, equipment and use lies with the Center.

Plan for how you will respond if offered a horse. Just as you would when purchasing, find out as much as you can about the horse: height, weight, age, sex, soundness, present and past, health, feet, special needs (feeding, turnout, shoeing), training, temperament and movement. The difference from purchasing here is that you also need to find out about the donor's expectations and needs. If you decide that the horse may be "the one," figure out where to go from there. See if you can speak with qualified people who know the horse's history. It's great to hear someone say that "this is the best horse their trainer ever sat on," but isn't very helpful if you do not know the "trainer's" qualifications. Be open minded, polite, but cautious at the same time.

Trials can be great but many donors may not be interested in a long process. If the horse does come to your center on trial, make sure you have a clear understanding in writing of who will be responsible for all aspects of the care, feeding and use. Don't forget to address worst case possibilities.

If (when) you turn down an offer...

Never insult the donor. Be nice. Thank them for the call. Tell them their horse sounds "lovely," "nice," "sweet," or "wonderful," but that it just does not meet your Center's needs at the present time. You may want to offer a few ideas about placing the horse, if you have any. (Do not get in the middle; just offer to hook the parties up.) I also take the name and number of the people and keep a list of horses offered.

Do not make promises you cannot keep.

Always discuss the horse's future with the donor. Most places cannot realistically promise the horse a lifetime home. Tell your donor that if you can no longer use the horse, you will do your best to sell or give him to a good home. Some donors may wish to take the horse back if you no longer need him. (This may have tax implications; consult your accountant, and advise the donor to consult his accountant.)

Put everything in writing.

Things can and will go wrong. A "good home" can mean different things to different people. The donor has to trust the center and the center has to honor this trust.

What is your responsibility to the donor and horse over time?

Keep in touch with donor while the horse is settling in. Honor your contract, your word and your horses. Make sure that if changes in ownership or administration occur, all parties know that they are obligated to adhere to the terms of the contract already in place between the Center and the donor.

Should a horse not work out and you think you may be reselling or placing the horse, let the donor know. It is your responsibility to help find something he can do well and enjoy.



Considering the Options: Leasing vs. Accepting a Donated Horse

By Kathy Alm

You have found a horse that is right for your program. Making that decision is challenging enough. Just as important, however, is deciding whether to lease the horse or accept the horse as a donation, and ensuring you have the right process in place to make a smooth and legal transfer.

At Little Bit Therapeutic Riding Center, our preference is almost always to lease a horse. Our philosophy on this has developed over the years, as we came to recognize that when we accept a horse as a donation, we have a responsibility to find a good home for them when they need to be retired. Sometimes finding a new home for a horse is easy. We have had many horses that are perfectly sound, with many good years of riding left, who manage to communicate to us that they no longer enjoy working as a therapeutic riding horse. Although a horse's communication style is very different than ours, it can be just as clear. Placing a horse such as this is fairly straightforward. But an older horse, or one who has any kind of chronic lameness and is no longer fit to ride, can be very challenging to place. A leased horse, however, always has a home to return to.

Prior to leasing or accepting a horse for donation, we bring the horse in for a trial period. We have the owner complete and sign a "Horse Trial Agreement." This form sets forth the basic information about the horse, including vet records, type of feed, special instructions, the length of the trial or testing period, and liability information. This ensures clari-

ty about the trial process. After the trial, we determine whether the horse fits our current needs, and, if so, whether we want to offer a lease or accept the horse as a donation.

In leasing a horse, a clear and legal contract is critical. In order to avoid misunderstandings about care or work amount, it is important to put the agreement in writing. We use a "Lease and Liability Release Agreement." Typically, we offer full care, including farrier, routine vet care and daily care in exchange

for full-time work in the program. All day-to-day decisions about the horse, including its workload and its care are made by Little Bit. The owner does not have the right to ride the horse. If the owner wants riding time as part of the exchange, this is written into the contract and is always under the direction of our Program Director. We then take this into account when scheduling that particular horse. If any major illness or

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Ruth
Landsman AD
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Fall Strides

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injury occurs, the owner is responsible for making and paying for care decisions. The agreement also covers liability issues and permission to take the horse off-site for Little Bit events and competitions.

There are times when accepting a donated horse is the best option. Typically this is a younger horse and/or one who fits perfectly the criteria we have determined. We will still usually ask for a lease, but if the owner is not interested, we will accept the horse as a donation. We use a "Donated Horse Agreement" where the owner agrees to donate the horse unconditionally to Little Bit. In this written agreement, we do not guarantee that we will contact the donor when their horse needs to be retired, but there is a place on the form for the donor to ask to be contacted. It is then the donor's responsibility to keep Little Bit informed of their contact information and respond within two weeks of being contacted.

For the purpose of the IRS, the owner sets the value of the horse. If it is greater than \$5,000, the donor may request an IRS Form 8283. On the advice of our auditor, we now only provide this form when requested by the donor. If Form 8283 is issued and IF the horse is sold by the program within two years of receipt, then the program MUST file IRS Form 8282. For our accounting records, however, we set our own value since horses are considered assets that depreciate over time, and we could take a loss on the books if we sell or retire the horse for less than what is on the books. This is an area with which an accountant or auditor assisted us.

Choosing to add a horse to your program is an important decision. Whether you choose to lease a horse or accept a donated horse, clear communications as well as written documents are an important component in ensuring that both you and the owner are happy with the decision.



Julia Chapin Bozzo is the Founder and Director of the NorthWest Therapeutic Riding Center located in Bellingham, Washington, in operation since 1993. Julia is a NARHA Certified Instructor, who received her training from the Fran Joswick Center (currently the Shea Center) in 1989. In addition, Julia is a certified Equine Appraiser. She has a BS in Agriculture and Horse Production from Wilmington College and did graduate work in Animal Science at New Mexico State University.



Kathy Alm has been the Executive Director at Little Bit Therapeutic Riding Center for almost five years and is a current member of the NARHA Board of Trustees. Prior to joining Little Bit, Kathy spent 15 years in non-profit management, first at Village Theatre in Issaquah, and then at Seattle Children's Theatre in Seattle. Under her guidance, Little Bit has grown from 75 riders per week and a \$280,000 budget, to a budget of over \$750,000 that supports over 160 riders per week.

Congratulations!

Congratulations to the following centers who either are newly accredited or maintained accreditation from May 2005 to January 1, 2006.

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