

Financial Donations

One way to assist a specific skater with financial support is to send them a personal gift in the form of a check; however, that type of donation is not tax-deductible for the giver and depending on the amount may be taxable for the recipient.

Relatives may give up to \$10,000 per year per person without triggering tax implications.

If a company or individual wants to set up a sponsorship arrangement with a figure skater, a contract through the skater's national federation should be set up in order to protect the skater's eligible competitive figure skating status.

A donation can be made to a charitable fund established especially for figure skaters. The largest fund in the U.S. is the Memorial Fund. This fund is in memory of the 1961 World Figure Skating Team members who were killed in a tragic plane crash. Donations to the Memorial Fund are tax-deductible.

Figure skating clubs and training centers may accept tax-deductible donations if they have established an IRS approved 501 (C)(3) fund to raise money for eligible figure skaters.

The skaters do not receive the money directly; instead they submit bills for their skating related expenses, and the foundation pays those expenses that meet their criteria.

<http://www.usfigureskating.org/Athletes.asp?id=325>

Memorial Fund

The Memorial Fund consists of two types of assistance programs: the Competitive Skaters Assistance Program (CSAP) and the Academic Scholarship Program (ASP).

The CSAP awards are intended to subsidize the training expenses incurred by competitive figure skaters in the singles, pairs and ice dancing disciplines. Awards are based on financial need and competitive history.

The ASP awards are intended to assist figure skaters who are pursuing a college degree. Awards are based on financial need, academic performance and continuing participation in competitive figure skating or current involvement in activities of U.S. Figure Skating.

Scholastic Honors Team

The Scholastic Honors Team is a program designed to recognize high school-age U.S. Figure Skating members who have distinguished themselves both in figure skating and high school academics.

Selected team members will receive a monetary scholarship. Details about the program can be found by clicking on the Scholastic Honors Team tab to the left.

Sponsorships/Non-Sanctioned Events, Appearances and Advertisements

Sponsorships are agreements between the sponsor and the athlete only — U.S. Figure Skating is not involved in this agreement.

The only time the athlete should question his or her eligibility is if the sponsor asks the skater to participate in an event that is not sanctioned by U.S. Figure Skating and includes non-sanctioned events, appearances or advertisements.

If this occurs, the athlete can still accept the sponsorship but only if the participation has been approved. To obtain approval, he or she must complete a form called the Eligible Skater's Compensation Agreement (ESCA).

Once this is completed, submitted and approved by the executive director, the athlete's eligibility will be protected. The purpose of the ESCA is to provide the vehicle to allow skaters to enter into an arrangement providing financial assistance while still protecting their eligibility to compete in U.S. Figure Skating, ISU or Olympic competitions.

The ESCA is an extremely important resource for athletes to understand. Details about sponsorship can be found by clicking on the Sponsorships/ESCA tab to the left.

Beginners Information

The following are ideas for athletes and their parents regarding assistance early in their careers:

- Ask your skating club what monies, if any, it has budgeted to assist its skaters
- Inquire with service clubs or organizations within your city that may have sponsorship/scholarship funds available to young people. For example the Kiwanis Club, Lions Club, Rotary, Knights of Columbus or your church or school.
- Create a fundraising campaign that can help you raise money for training such as bake sales, garage sales, car washes, etc.

Athletes Funding Opportunities

Julie Schmitz is the contact for U.S. Figure Skating Scholastic Honors Team:
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U.S. Figure Skating and the Program Development Committee are in charge of the annual Scholastic Honors Team award. The Honors Team is a program designed to recognize high school-age U.S. Figure Skating members who have distin-

guished themselves both in figure skating and high school academics.

The submission deadline for applications for the 2010 U.S. Figure Skating Scholastic Honors Team is Sept. 18, 2009. The 2010 team will be honored in January at the 2010 AT&T U.S. Figure Skating Championships in Spokane, Wash.

2010 Scholastic Honors Team Application

2009 U.S. Figure Skating Scholastic Honors Team Applicants must meet the following criteria:

- Be an eligible skater and current member of U.S. Figure Skating
- Be a full-time student entering his or her junior or senior year of high school in the fall.
- Be enrolled in a fully accredited secondary school, attend classes and carry the minimum number of credit hours necessary to be a full-time student.
- Maintain at least a 3.4 GPA (based on a 4.0 scale) or 93% (based on a 100% scale) during the last two years
- Must have competed in a U.S. Figure Skating qualifying competition at the novice, junior or senior level during the past two years

Sponsorships

Sponsorships are agreements between the sponsor and the athlete only — the U.S. Figure Skating Association is not involved in this agreement.

The only time the athlete should question his or her eligibility is if the sponsor asks you to participate in an event that is not sanctioned by U.S. Figure Skating.

If this occurs, the athlete can still accept the sponsorship if he or she completes a form called the Eligible Skater's Compensation Agreement (ESCA).

Once this is completed, submitted and approved by the executive director, the athlete's eligibility will be protected. Find out more about the **Eligible Skater's Compensation Agreement**.

The most important question sponsors ask is, "Can I get tax benefits from this?" It depends on whether this is a business or a personal sponsor.

If the sponsor is a private person wanting to assist the athlete with his or her expenses, the answer is no.

The answer is yes if the sponsor is a business wanting to sponsor the athlete; it can receive tax benefits.

Tell the potential sponsor to talk to its accountants to find out the best way for it to handle the sponsorship. One option for a business to get tax benefits from a sponsorship is to use the athlete as an advertisement, since advertising can be a tax write-off for a business.

Examples of how to do this is having the athlete carry a duffel bag with the business logo on it, or the athlete can wear a warm-up suit with the logo on it.

These are just ideas; the best suggestion is to have the business check with its accountants regarding the specific laws and regulations.

A sponsor may donate to the Memorial Fund and receive the tax benefits because of the Memorial Fund's nonprofit status, but the donator ***can not earmark it for a specific person.***

The money will be put into a general account and distributed to many U.S. Figure Skating athletes.

The same applies when donating to a club with nonprofit status; you can donate to the club but not to a specific athlete. The money will go into the club's general

account and be allocated according to the requests of the club's Board of Directors.

How does the athlete accept the sponsor's money? The athlete may have a "skating account" that the sponsor can write checks to, or it can simply make the check payable to the athlete. Again, this is a decision for the athlete and sponsor.

The **Sponsorship Information and Suggestions packet** gives valuable information regarding sponsorships and how to acquire them. This information is useful for single, pairs, dance and synchronized skating athletes alike.

Synchronized Skating

There is also a sponsorship packet tailored specifically to synchronized skating. **Download it here (PDF)**

If your club does not have a non-profit fund raising organization to provide financial assistance to the promotion of figure skating, you can work to create such a program.

The program should be designed to help cover the costs of professional coaching, equipment, ballet and creative dance movement, mental edge, theatre, nutrition and strength conditioning.

Applicants must be an eligible skater and current member of U.S. Figure Skating, demonstrate a financial need, be dedicated to training as a test or competitive skater, maintain at least a 3.0 GPA (based on a 4.0 scale) during the last two years prior to the application, be recommended by a professional at the skater's home club, and approved by a committee of the fund raising organization.