

Contributing to a Charity

When a person volunteers their time and efforts to help a charity, service organization or disabled neighbor, a mutually beneficial relationship is formed. The organization or person being helped receives a gift in the form of time, skills or money. The volunteer gains feelings of genuine goodness and a sense of fulfillment, nurturing their growth as a person. The good works being done are not the goal; self-improvement is the goal, and the good deeds people do are steps toward that end.

Choosing a Charity to Support

Before you donate your time, talents or money to an organization, you need to decide what kind of charity you want to help and to what extent you want to assist. Here are some tips on choosing the right charity or humanitarian effort:

- › Decide who it is you want to help. Do you want to raise money or collect clothing for people in another state or country who have experienced a natural disaster, or do you want to teach a child literacy program that meets at the grade school down the street from your house?
- › Determine if you want to dedicate yourself in a large capacity to one group or assist in more limited rolls with several efforts.
- › If you have a friend or family member who has a particular illness, you may want to give to a charity that raises money to support the search for a cure to the disease. For example, if you have lost a loved one to cancer, you can donate money or time to a children's cancer hospital or the American Lung Association.
- › Once you have identified a potential group to help, research the organization to make sure they are legitimate. Gather information from the organization's website, and talk to other people who volunteer there.
- › There are watchdog groups that monitor charities to see how well they live up to clear financial and professional standards. Charity Navigator (www.charitynavigator.org) and Charity Guide (www.volunteerguide.org) both watch and report on the performance and activities of charities.
- › Understand how much time you have to devote to the undertakings you choose, and be sensible in your commitments. For example, if you work every weekend, then you probably do not want to take on the responsibility of being a Scoutmaster for a troop that camps out one weekend each month.
- › Make sure the help you can provide matches the needs of the group or individual and that the commitment you make is something you can accomplish without difficulty. It is OK to mow an elderly neighbor's yard if doing so does not put any undue physical strain on your body. But do not volunteer to prune their trees and clean leaves from their gutters if you have no experience doing those things. You could end up hurting yourself while attempting to be charitable.
- › Following natural disasters, many "charity scams" preying on human generosity emerge. The safest way to avoid being taken advantage of during these tragedies is to contribute to a prominent national charity, such as The American Red Cross (www.redcross.org) or The Salvation Army (www.salvationarmyusa.org). Give money in the form of a check made out to the group. Do not donate cash, and do not give your credit card number to solicitors over the phone.

Volunteer Your Time, Skills and Knowledge

The contribution you make to a good cause does not have to be financial. You can lend your time and abilities to help a disabled neighbor or volunteer an afternoon each month to a local after-school tutoring program. Here are some other ways you can offer your knowledge, skills and time to charities and the disadvantaged:

- › Assist at neighborhood divisions of national organizations. Many groups like the Boy and Girl Scouts of America, The Salvation Army and Habitat for Humanity have local chapters across the country.
- › National training, fraternal, veterans and service organizations offer many opportunities for their members to volunteer. These groups include Rotary International, Kiwanis, Lions Clubs, Jaycees, Elks, Shriners, Veterans of Foreign Wars (VFW) and Ladies Auxiliary VFW.
- › Offer your time or skills at your place of worship. Churches, temples, mosques and synagogues often rely on volunteers to perform duties during services and chores around the buildings and grounds.
- › Local schools, libraries, nursing homes, government agencies and businesses often sponsor service organizations and charitable endeavors.
- › Volunteer to work one night a month at a local homeless shelter or food kitchen.

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- › Organize or join a group that cleans up public parks and nature preserves on the weekends.
- › Help a disabled or elderly neighbor with the tasks that have difficulty performing. These chores include basic gardening, household maintenance and picking up groceries. You can coordinate with other neighbors to take turns doing these things.
- › If you have special professional skills, offer them free of charge to the needy, or hold a class where you teach your talents to others. Tax accountants can prepare returns for elderly friends and relatives. Paramedics can teach CPR courses through the local Red Cross.

Contributing Money and Resources

Donating money and other resources is the most popular way for people to support charities. Here are some ways to financially help out service organizations:

- › Donate your own money to a charity, church or service group. Instead of giving cash, write a check payable to the organization, not to the person collecting the money.
- › Call in and make a contribution to a reputable charity telethon or fundraiser, such as the MDA Show of Strength (the MDA Labor Day Telethon). Try to make your call during a "matching" time period, when a company or individual promises to match every dollar other people donate with a dollar of their own. This effectively doubles your donation.
- › Purchase Girl Scout Cookies, or support a local school that is holding a raffle or ice cream social.
- › Taking part in large, organized fundraising efforts is a good way to raise more money than you would otherwise be able to give on your own. Many groups hold walks or bike rides, where sponsors are enlisted to donate a certain amount of money for every mile the participant completes. For example, imagine you decide to take part in a charity walk, and you sign up 10 sponsors who will each donate \$1 for every mile you go. During the event, if you cover 25 miles, you raise \$250 for the charity, an amount you may not have been able to afford to give by yourself.
- › See if your employer will make a "matching gift," promising to give an amount equal to what you donate to the charity of your choosing.
- › Donating automobiles, real estate and stock has become a popular way for people to support service organizations and charities in recent years. The organizations accept these items and then sell them. They use the money from the sale to support their efforts.
- › Donate money, or canned and preserved groceries, to local food drives and charities such as soup kitchens and homeless shelters. Food items are needed year-round, not just during the holiday season, when people traditionally give food to the disadvantaged, so try to donate food in the summertime, as well.
- › Groups like AMVETS and Goodwill collect used clothing and household goods for resale or to give to the needy. Clean out your closet once a year, and give the clothes you no longer wear to organizations like these.
- › Organize your own fundraising event for a charity close to your heart. If it is something you feel strongly about, friends and neighbors will be more likely and willing to assist you in achieving your goals. Bake sales, raffles, fun runs, walks and bicycling events are all popular fundraising events.
- › It is OK to say no to people seeking charitable contributions. There are so many charities in the world supporting thousands of different causes, making it impossible for you to give to every one. Include charitable donations in your budget, and do not be easily persuaded from deviating from your plan by emotional appeals.

Your Contribution May be Deductible on Your Taxes

An added benefit of donating to a charity is you can deduct many charitable contributions when you file your income tax return. According to the IRS, gifts given to the following organizations are deductible as charitable contributions:

- › Churches, synagogues, temples, mosques and other religious organizations
- › Federal, state and local governments, if the contribution is solely for public purposes (for example, a gift to reduce the public debt)
- › Nonprofit schools and hospitals
- › Public parks and recreation facilities
- › The Salvation Army, Red Cross, CARE, Goodwill, United Way, Boy Scouts, Girl Scouts, Boys and Girls Clubs of America, etc.
- › War veterans' groups

- › Expenses paid for a student living with you who is sponsored by a qualified organization
- › Out-of-pocket expenses sustained when you serve as a volunteer for a qualified organization.

The following expenses are not deductible as charitable contributions:

- › Money or property given to civic leagues, social and sports clubs, labor unions, chambers of commerce, and nonqualified organizations
- › Money or property given to foreign organizations, except certain Canadian, Mexican and Israeli charities
- › Money or property given to groups run for personal profit
- › Money or property given to groups whose purpose is to lobby for law changes
- › Money or property given to homeowners' associations
- › Money or property given to individuals
- › Money or property given to political groups or candidates for public office
- › The cost of raffle, bingo or lottery tickets
- › Dues, fees or bills paid to country clubs, lodges, fraternal orders or similar groups
- › The value of your donated time or services
- › The value of your blood given to a blood bank.

Keep track of each donation you make. If the donation is less than \$250, all you need to prove to the IRS that a gift was made is a credit card statement or cancelled check. If the donation is valued at \$250 or more, the IRS requires additional documentation showing three things:

- › The amount of the contribution
- › Whether you received any goods or services in return for your donation, other than certain token items and membership benefits
- › If you received a benefit in return for your contribution, the charity must provide a description and good faith estimate of the value of the benefit you received. If the benefit you received was an intangible religious benefit generally not sold through commercial transactions (like admission to a religious ceremony), the acknowledgement must say so and does not need to describe or estimate the value of the benefit.

Resources

- › Charity Navigator: www.charitynavigator.org
- › Charity Guide: www.volunteerguide.org
- › The American Red Cross: www.redcross.org
- › The Salvation Army: www.salvationarmyusa.org



Online: guidanceresources.com

Web ID: AECOM



App: GuidanceNowSM

Log on today to search the directory for a local provider or phone number. You can also review articles and other helpful tools where available.

24/7 Support, Resources & Information

Contact us anytime for confidential assistance.