Oklahoma’s Personal Financial Literacy Passport

Standard 14: The student will explain the costs and benefits of charitable giving.

Standard 14. Charitable Contributions
Lesson 14.1 Charitable Contributions
Handout 14.1.1 — My Volunteer Profile
Lesson 14.2. Checking out Charitable Groups
Handout 14.2.1 — Organization Check

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1.1. Identify types of charitable giving (e.g., monetary gifts, gifts-in-kind, and volunteer service).

1.2. Describe the impact of charitable giving on the individual (e.g., budget, time, personal satisfaction, tax benefits) and the community.

1.3 Identify tools to research a charitable organization’s mission/purpose, activities, and recipients (e.g., specific organizations’ Web sites, Guidestar®, and regulatory agencies).
Standard 14.1
Charitable Giving

Charitable Contributions
Payoff

- Identify different types of charitable contributions.
- Describe examples of charitable giving in local communities and the state.
- Use cost/benefit analysis to analyze the impact of charitable giving on individuals and society.
Charitable giving
Cost-benefit analysis
Gifts-in-kind
Tax deductions
Why do people give to charitable organizations?
Charitable Organizations

Identify different charitable organizations in your community.
Types of Charitable Contributions

💰 Cash
  • Tithing
  • Total cash donations were $295 billion in 2006

🎁 Gifts-In-Kind
  • Items of value

🖼 Volunteering
  • Your time and talents
Types of Charitable Contributions

What kinds of contributions have you made in the past year?

To what organizations have you contributed?
Costs and Benefits of Giving

- **Benefits**
  - Make you feel better
  - Helping others
  - Tax deductions
  - Others?

- **Costs**
  - Takes time
  - Can be expensive, especially if not planned
  - Can be emotional or impulsive expenses
Costs and Benefits of Giving

Why do you give?
What are your costs and benefits?

Volunteer Profile
Charitable organizations provide important services.

People give to charitable organizations for a variety of reasons.

Charitable contributions help others.

Charitable contributions include cash, in-kind, and volunteering.

Charitable contributions should be part of your planned spending, not an emotional or impulsive decision.
How can you be involved in your school or community?

What are some of the organizations in your community where you can help?

Why do people get involved in giving?

What are some possible costs?

What are some possible benefits?
Standard 14.2
Charitable Giving
Charitable Organizations
Identify the reasons to research charitable organizations.

Explain how to research charitable organizations.

Use the PACED model to evaluate a charitable organization.
While posting changes to her personal Web page, Lindy sees a pop-up screen talking about the need to help children in the country of Sudan. The pictures look so sad that Lindy clicks on the Web site to find out more information.
As Lindy decides to start a fundraising effort among her friends and family members.

Has Lindy made a good choice? If Lindy were your friend, would you be willing to help her? Would you want to contribute to this organization?
Charitable giving
Nonprofit organization
Building Interest

Philanthropy means “giving to others.”
  • The goal is to help others in some way.

People tend to be generous.
  • Scammers take advantage of this situation.
  • They keep the money for themselves instead of using it to help others.
    • If caught, they will be prosecuted.
    • If found guilty, they face fines and/or imprisonment.
Evaluating Non-profit Organizations

Nonprofit organizations provide goods and services without expecting money in return

• How do you know they are doing what they say they will do?
• How do you know where your money really goes?
• What questions should you ask?
• What are reliable sources of information?
Making Good Choices About Giving

- Avoid responding to telemarketers asking for contributions.
- Never respond to emails asking for money.
- Beware of “sound alike” names.
- Be careful where you contribute, such as cash in cans by the cash register.
- Check out organizations online.
Making Good Choices About Giving

Reliable Sources

• www.guidestar.org
• www.charitywatch.org
• www.charitynavigator.org
Volunteering

- Fun
- Can meet new people
- Build skills
- Help others meet their goals
- Makes you feel good
How to Volunteer

- Identify an organization.
- Contact the organization.
- Make an appointment with the volunteer coordinator.
- Ask questions about what they need.
- Be sure you can do what you promise when you promise it.
- Treat it like a “real” job.
Making a Choice About Volunteering

Problem: Finding an organization?
Alternatives: Explore what organizations are available.
Criteria: What are your skills or your needs?
Evaluate: How well do the organizations you identified meet your criteria?
Decide: Now, do it!
Because your resources are limited, you need to make good choices about charitable organizations.

Check out a group before you get involved or before you contribute.

Uninformed choices can be costly.
Balance Sheet

- What is a nonprofit organization?
- Why do they exist?
- How can you evaluate non-profits?
- Why should you evaluate nonprofits?
- What is the role of a volunteer?
What would you tell Lindy if she came to you for advice? Would you tell her it is probably a scam?

If you said yes, then you are probably right. Scammers like to prey on your sympathy for starving children and other heartbreaking situations. Beware!
Handout 14.2.1 – Organization Check

In your opinion, what is the most important single reason for deciding to support a specific charitable organization?