GOVERNMENT SHUTDOWN DIDN’T STOP CHARITABLE GIVING

December 8, 2013
By Meg Mirshak

Despite the government screeching to a halt this fall, many federal workers and contractors didn’t stop giving to area charitable campaigns.

Worries that the 16-day federal government shutdown would threaten donations to the annual United Way of the CSRA campaign were unwarranted, said Rina Powell, the senior director of resource development for the United Way of the CSRA. Although some campaigns coincided with the October shutdown when many workers were furloughed, most of the United Way’s largest workplace contributors met their goals.

“When we were going through the shutdown, federal organizations slowed down a bit but they picked right back up,” Powell said.

The United Way of the CSRA set a $4.15 million fundraising goal in late August. The organization provides funding for 44 programs in 23 area agencies.

Fort Gordon, which participates in the United Way through the Combined Federal Campaign, has not yet reached its goal. The military installation implemented furloughs during the summer because of sequestration and again in October during the government shutdown.

About 75 percent of the $400,000 goal was met when the campaign ended Nov. 29, said public affairs chief J.C. Mathews. The military installation extended its collection period through February, when the United Way of the CSRA campaign concludes.

“The majority of reasons heard is the budget uncertainties of the last year,” Mathews said. “People are being cautious. We know we do not have a budget for next year, which makes possible the serious effects of sequestration.”

As many of its workplace contributors wrap-up collections, Powell said the organization should meet its goal by the campaign’s end on Feb. 25. About 30 percent has been realized.

“We will meet the goal but it’s definitely going to take everyone’s support,” she said.

Savannah River Remediation, which held its campaign in June and July, raised $292,050 for area United Way agencies. About $94,000 was given to the United Way of the CSRA and the remainder to sister groups in several area counties.

SRR hoped to raise about $300,000 but spokesman Dean Campbell said September layoffs and October furloughs did not have a direct impact on the employer’s campaign.

“We knew during the summer our budget issues and potential workforce restructuring could be on the horizon,” he said. “Our employees were very generous.”

Savannah River Site’s largest contractor, Savannah River Nuclear Solutions, raised more than $1 million during its United Way campaign. The money helps nine United Way agencies in area counties.

The Charlie Norwood VA Medical Center’s workforce was not affected by the government shutdown. Employee donations exceeded the hospital’s $120,000 goal even before the campaign ended, said spokesman Peter Scovill.
GOVERNMENT SHUTDOWN HURTS NONPROFITS

October 12, 2013
By Sarah Todd

While it appears there’s finally progress in conversations between Republicans and Democrats on the federal government shutdown, federally funded nonprofits have experienced significant financial damage and their clients a rollback in services.

Those effects will not necessarily disappear when the shutdown does.

While some nonprofits are already using emergency funds to continue to help those they serve, others are planning for alternative ways to replace needed funds in the New Year.

Most are eyeing the remainder of the year with deep concern. Since 1.4 million nonprofit organizations receive some government funding, the impact will be felt in all communities.

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) has some state programs on the brink of having no money for these benefits. Philanthropy Today reports that about 19,000 children nationwide have already lost access to the Head Start program.

More than 20 Head Start programs in U.S. states didn’t receive annual grants this month and are consequently unable to provide their services.

Locally, Terry Tolbert, deputy director of Savannah-Chatham County’s Economic Opportunity Authority reports that the authority is still able to provide head start services because that capability is tied to a head start organization’s funding year.

However, other services the authority provides have already been impacted, including community block grants, energy services assistance and helping clients with SSI and Social Security.

Indirect impacts will be equally painful. The Combined Federal Campaign is an annual fall fundraising program that taps federal employees, postal workers and the military for contributions.

It’s hard to imagine this fundraising won’t take a major hit with the financial hits on our military, the additional problems facing the postal service and the likely federal layoffs to come. The campaign raised $258 million last year for U.S. nonprofits, so this will be a significant loss.

As long as the financial murkiness continues, people of modest means — important contributors to nonprofit missions — are also less likely to give to charities and to instead favor cautious spending.

And if debt-ceiling negotiations hit the same snags as the federal budget negotiations, nonprofits’ traditionally reliable major contributors are also likely to scale back.

For several thousand grassroots nonprofits throughout the country utilizing federal VISTA volunteers to help combat poverty, another threat looms.

These volunteers must continue working at their placements even though not currently receiving the tiny federal supplement that helps them cover rent and food costs. VISTA volunteers without fallback resources may be forced to seek other opportunities, and nonprofits will be unable to replace them until the next funding cycle — if funds are available.
In grassroots nonprofits the loss of a few VISTAs can shrink their work force by a third.

Please remember these challenges, and the people who desperately need the help of our beleaguered nonprofits, when United Way comes to your company or you are otherwise asked to give.

If you’re moved to give, try to give a little more this year.

Sarah Todd is founder of Change Pioneers, an information resource for social change leadership. She can be reached at 912-224-2120 or changepioners@gmail.com.

http://savannahnow.com/exchange/2013-10-12/government-shutdown-hurts-nonprofits#.U1T1mRHJt1
DON'T REDUCE CHARITABLE DEDUCTIONS

April 26, 2013
By Milton J. Little Jr.

Congress is again considering a revamp or the elimination of the federal income tax deduction for charitable giving, which benefits hundreds of thousands of metro Atlantans.

While Americans have understandably grown weary of endless revenue and spending “cliffs,” they recognize that any action that tampers with the charitable tax deduction stands to affect communities in a big way. Yet, in an effort to raise revenue and tame the deficit, some budget proposals for the federal fiscal year beginning on Oct. 1 do exactly that.

As our elected leaders in Washington make decisions, some context is in order. The federal charitable tax deduction was enacted in 1917, the year that Congress raised the income tax to pay for World War I. In doing so, Congress recognized that charitable giving is an American tradition older than the tax code or even the republic itself. As such, they sought to treat giving differently for tax purposes than other income spent on personal needs and wants.

Alexis de Tocqueville marveled about Americans tireless penchant for forming associations and alliances to help their neighbors and to improve their communities, noting how these informal networks addressed needs that government simply could not. Fast-forward almost 200 years and it is clear that Tocqueville was spot on.

United Way of Greater Atlanta and our community partners serve a 13-county region representing about half of all Georgians. We work diligently to put within their grasp the opportunities, services and supports they need to thrive regardless of their neighborhood or ZIP code. None of it could be done without the generous support of more than 130,000 donors.

Last year, our 2-1-1 contact center connected more than 475,000 seeking help or wishing to give help. We help ensure that young children enter school ready to learn and graduate ready for college and career. We help low-wage earners develop job skills, attain a career credential and build financial assets. We leverage resources and expertise to make primary health care available to those who have gone without. And we provide recovery for those who are chronically homeless.
Unlike other tax breaks, the charitable tax deduction spurs the flow of dollars directly to others in need. A recent Gallup poll found that it is the most highly regarded tax deduction among Americans — even among those who don’t itemize their IRS returns.

According to the Atlas of Giving, individual Americans like you and I gave nearly $277 billion in 2012 to support a multitude of worthy causes.

The charitable deduction is different than other itemized deductions — and it works. For every dollar a donor deducts, communities receive as much as $3 of benefit.

Now, more than ever, our community relies on charitable giving to respond to the growing need wrought by the Great Recession.

If lawmakers tamper with the federal charitable deduction, donors can hold on to their wallets by simply reducing their giving. Instead, it’s the most vulnerable — and the larger community — that stand to lose if we, in nonprofit and faith-based agencies, are forced to slash services.

Reducing or eliminating the value of the charitable deduction is simply not a solution to the nation’s fiscal challenges. As a nation, we must choose the greater good.

*Little is president of United Way of Greater Atlanta.*

GEORGIA NO. 17 IN NATION FOR CHARITABLE GIVING

June 3, 2013
By Jacques Couret

Georgians are among the most charitable, or tax claim savvy, in the nation, according to a report from the Tax Foundation.

Georgia ranked No. 17 with 27.9 percent of tax returns claiming a charitable deduction in 2011, the report said.

As for the most charitable state in the nation, that honor goes to Maryland, which saw 40 percent of its tax returns include charitable donations.

On the flip side, West Virginia ranked last with just 13 percent of tax returns including donations. (See link below for link to map of full rankings.)

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NEW HELP FOR CHARITABLE-GIVING DEDUCTION

April 12, 2013
By Sarah Todd

Recently in this column I suggested that nonprofits, local philanthropists and others who support nonprofits contact our congressional leaders to ask them to protect the current charitable tax deduction level.

This deduction is under fire by the Obama administration, which seeks to lower the deduction from 34 percent to 28 percent, a move that if passed will cost nonprofits billions of dollars in donations.

The Charitable Giving Coalition has created a new website to try to dissuade Congress on this idea and educate them on its true costs.

The coalition was established in 2009 when the reduced tax deduction was first proposed by President Obama. Among its 58 well known member organizations are the Salvation Army, Big Brothers Big Sisters of America, the Council on Foundations, United Way Worldwide, Catholic Charities USA and the American Red Cross.

The new website, ProtectGiving.org, contains excellent tools and information to help you advocate for protecting the current deduction level. And make no mistake — your voice is definitely needed to help protect it.

The tools, on the site’s Take Action page, include talking points, a news release you can customize and share with media, a communication guide, a template to help you develop your own editorial and an elected official letter template.

I think many in Congress do understand that the philanthropic sector is a vital part in our economic recovery and its support of our citizens’ safety net of human services. But the tax deduction rate can still be a pawn up for grabs in the game currently being played with the proposed budget.

If you have wondered whether the public supports the tax deduction for nonprofits, this may help: A recent United Way opinion poll shared on the coalition’s website showed that 79 percent of responders believed reducing the charitable tax deduction would have a negative impact on charities and their clients.

However, in the same poll, 62 percent of responders said they would be forced to reduce their contributions by 25 percent or more if the deduction is lowered.

Many voices need to be heard by our congressional leaders to help ensure we don’t lose this important foundation for the nonprofit sector’s services to the U.S.

You can help affect the outcome. Share the ProtectGiving.org site via Twitter using the hashtag #protectgiving. Send people to ProtectGiving.org to read real stories of the impact of local charities. Share your own stories of community change as a result of your work.

Sarah Todd is founder of Change Pioneers, a resource on effective social change leadership. She can be reached at 912-224-2120 or toddsar@gmail.com.

CHARITIES ASK CONGRESS NOT TO ALTER DONATION TAX BREAKS

February 20, 2013
By Ashton Pellom

Could the income tax deductions you get for giving to charity be reduced or even go away completely?

Lawmakers are considering substantial changes to the charitable giving tax rules.

The leader of one of South Georgia’s largest non-profit groups returned to Albany, Friday night, after lobbying members of Congress in Washington.

Officials from dozens of non-profit organizations met with lawmakers in DC Thursday to ask them not to reduce the tax breaks Americans get for donations.

United Way of Southwest Georgia President and CEO LaKiesha Bryant says if those breaks are altered, many organizations could suffer.

“It is going to cause some people to think twice about what they give to an organization and for a community like ours in Southwest Georgia, that can be detrimental. It can actually force some non-profits to close because they really depend on that Philanthropic dollar,” said Bryant.

The United Way of Southwest Georgia serves 13 counties, some with a poverty rate over 30%. Bryant says those people are most vulnerable if tax changes occur.

“These are the people who need our services the most and when non-profits are forced to make decisions about operational dollars or service dollar because they’re not giving charitable contributions, that means our community suffers,” said Bryant.

Bryant encouraged Congressional leaders to expand tax breaks for charitable giving to encourage people to donate more.

“For donors who give that $25 or $100 gift, it means just as much as that $10,000 or a $25,000 gift, so what we would like congress to do is expand the code to foster more giving because our non-profits need it the most,” said Bryant.

After the meetings, Bryant says she feels optimistic congress will do right by the people of America.

“I think it was a great opportunity and I think they really listened to us,” said Bryant.

She hopes Congress will make it easier for you to give to charities such as hers.
Tax Policy Center experts predict charitable giving could fall as much as 4.8% if a cap is put on deductions.