

THE NEWS RAISER



ETHICS IN FUNDRAISING
*Learn an Ethical Decision-Making
Process to Protect Yourself and
Your Organization*

Thursday, Jan. 4, 2007

OSU-Tulsa
700 N. Greenwood Ave.
B.S. Roberts Room
North Hall Conference Center
(arrive a little earlier than normal
due to campus construction and
limited parking)

11:45 a.m. - check-in
12:00-1:15 - lunch and program

Cost is \$15 for members, \$20 for
non-members.

New! Register online at
www.afpeastok.org
(click on "register for our next
luncheon")

Or email your reservation to
Michelle Boatright at
mboatright@captc.org or call
918-382-3224

Reservations must be
received by Friday, Dec. 29.

January program explores fundraising ethics

Oklahoma City resident Carol Ringrose Alexander will be the guest speaker for the Jan. 4 meeting of the Eastern Oklahoma Chapter of AFP. Carol is one of only two Oklahomans with the designation ACFRE (Advanced Certified Fundraising Executive).

In her program, Carol will use the scenario of an ethical dilemma faced by a nonprofit organization to teach us to ask specific questions and evaluate alternatives in order to make good decisions. There will be an opportunity to use the process in small groups to address some hypothetical sticky situations that we might find ourselves in one day.

Start the year off right by inviting your executive director and board president to join you for this valuable AFP program.

About Carol Ringrose Alexander, ACFRE, CFP, CDFA, AIF

Carol's fundraising accomplishments are impressive. As director of development for Casady School in Oklahoma City, she increased the annual fund 1,050% and raised more than \$15 million in a capital campaign.

This fundraising experience led Carol to seek opportunities to help people achieve financial security to ensure their own quality of life while contributing to the lives of others. In 2000, she became a financial advisor with Retirement Investment Advisors where she is a Certified Financial Planner, Certified Divorce Financial Analyst, and Accredited Investment Fiduciary.



Check out our new web site!
www.afpeastok.org



Are you interested in serving on an AFP committee?

It's a new year and that means it's time to create new committees for our chapter.

If you are interested in serving on a committee, contact Board President Nancy Hatfield at 918-619-4583 or nhatfield@childabuseenetwork.org. You can discuss with her your interests and time availability and she'll help connect you with an appropriate committee. Help is needed with a variety of chapter programming and events including monthly programs, professional development conference and National Philanthropy Day luncheon.

Support the Every Member Campaign

It's not too late to participate in the Every Member Campaign with a donation to the AFP Foundation for Philanthropy.

You should have received a letter from Marlo Duffy regarding the campaign in November in addition to a letter from the AFP Foundation in early December.

If you have any questions, contact Marlo Duffy Turner at mduffy@osugiving.com or 918-594-8014.

Looking for a job?

Go to
www.afpeastok.org
and search local job
postings in development
and related areas.

Jan. 11 audio conference: "A Living Endowment—The Key to Unrestricted Giving"

Learn the proven concepts, ideas, plans and how-to-steps you can take to obtain the most sought after, most difficult dollars to obtain and the most valuable to your organization—unrestricted dollars. See how a small cadre of donors can provide your organization with the equivalent of a \$2,000,000 endowment that provides \$100,000 each year through annual leadership gifts. This audio seminar will provide nonprofits that are without the major gift constituent base to build traditional endowment, the knowledge to create a living endowment using annual giving donor club/society concepts. Explore this plan developed and presented by Jim Donovan, fundraiser, trainer and author of the book *Take the Fear Out of Asking for Major Gifts*.

James A. Donovan, President and CEO of Donovan Management, is a career veteran of the nonprofit sector. He has spent his entire professional life in philanthropy, beginning with his first staff position with the United Way in his hometown of Utica, N.Y. in 1972. He held senior level staff positions with the United Negro College Fund, Tusculum College in Tennessee, East Tennessee State University, University of Central Florida and Clemson University. Throughout his career he has guided over \$100 million in fund raising programs and campaigns.

This audio session is aimed at mid-level staff from small to large nonprofit organizations that find it difficult to raise unrestricted dollars. Annual giving staff, major gift officers, membership giving directors and volunteer leadership are encouraged to attend.

Chapter members to vote on chapter board officers at Jan. 11 meeting

The slate of 2007 board officers for the AFP Eastern Oklahoma Chapter will be voted on at the Jan. 11 chapter meeting. Nominated for positions are:

President – Nancy Hatfield
President Elect – Pam Richardson
Immediate Past President – Stephen Mason
Vice President for Membership – Donna Stidham, CFRE
Vice President for Education – Karen Senger, CFRE
Vice President for Communications – Larry Bartley
Treasurer – Lori Mathis, CFRE
Secretary – Kate Davis
Long Range Strategic Planning – Suzy Sharp

Audio conferences
are FREE to members
and only \$15 for
non-members!

Audio Conference
Thursday, Jan. 11, 2007
12:00-1:30 p.m.
Alzheimer's Association Office
6465 South Yale, Suite 312
Bring a brown bag lunch

To register, contact
Marcia Graham at
marcia.graham@alz.org or
918-494-5461

New IRS rules affect tax treatment of cash donations

From AFP International Headquarters web site

Fundraisers should remember that there are new rules regarding the treatment of cash donations for deduction purposes.

Under the Pension Protection Act of 2006 (the new law that also included the IRA Rollover provision), no deduction will be allowed for any contribution of cash, check or monetary gift unless the donor can provide a bank record or a written communication from the charity. The communication should include the name of the charity, date of contribution and the amount of the gift.

The new law is retroactive to the beginning of 2006. Therefore, donors will not be able to take deductions for any gift of cash in 2006, including, for example, money put in a Salvation Army kettle or church offering plate, unless they have this type of record.

There are specific guidelines for gifts made through payroll deductions (see story on pg. 4 of the News Raiser). In addition, information about the IRA Rollover can be found in the column to the right.

Bob Carter, CFRE, president of Pittsburgh, Pa.-based Ketchum, Inc., offers the following tips for fundraisers working with donors in this new environment:

- Encourage donors to use credit cards, checks and other means to make gifts beyond cash.
- Review your institutional policies on acknowledgements for timeliness, accuracy (check points) and levels of receipts.
- Use the change to communicate with all donors and prospects to assure them that you are prepared for their generous gifts and will be responding quicker and even more accurately than ever.
- Tell them you are just waiting for the chance to acknowledge the gifts under the new guidelines!

IRA Rollover offers charitable giving tax incentive

From AFP International Headquarters web site

The Individual Retirement Account (IRA) Rollover is one of the biggest charitable giving tax incentives to be created in years. But how exactly does it work, and what do charities need to know about the provision in order to approach donors and potential donors who might want to give through their IRAs?

The IRA Rollover allows taxpayers to donate up to \$100,000 annually from their IRAs tax free to charitable causes. Donors don't get a tax deduction for the gift, but the money is excluded from taxable income when computing taxes, so the effect is the same.

A few things about the IRA Rollover provision and its limitations:

- Only taxpayers age 70½ can take advantage of the provision.
- It only applies to gifts made in tax years 2006 and 2007.
- The maximum amount that can be rolled over tax-free each year is \$100,000.
- The provision only allows for direct, cash gifts to a qualified, nonprofit institution (i.e., a 501 (c)(3) charitable organization). For example, money could NOT be directed to a donor-advised fund.

A preliminary estimate by the United Way of America predicted that the estimate would increase charitable giving by more than \$400 million, while AFP believes the impact could even be greater.

For more information and marketing tips, go to www.afpnet.org.

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Copy deadlines are the 15th of the month for the following month's issue.



IRS issues guidance on payroll deduction contributions to charities

From AFP International Headquarters web site

The IRS has announced new guidelines on how taxpayers can substantiate their contributions to charities made through payroll deductions.

Changes in the recently signed Pension Protection Act of 2006 included a prohibition on charitable deductions for contributions of cash, check or other monetary gift unless the taxpayer maintains a bank record or a written communication from the donee showing the name of the donor organization and the date and amount of the contribution.

For charitable contributions made via payroll deductions, the IRA is requiring two documents to substantiate the gift and satisfy this requirement:

- 1) A pay stub, Form W-2 or other document furnished by the employer that sets forth the amount withheld from the taxpayer during a taxable year by the employer for the purpose of contributing to a charity.
- 2) A pledge card or other document prepared by or at the direction of the charity that shows the name of the charity.

Donors who give to local United Ways or other organizations that funnel contributions to other charities need to only obtain the pledge card or other document from the United Way and not the organization(s) that ultimately received the money.

Contributions Greater Than \$250

In addition, tax law requires that for any contribution of \$250 or more, the taxpayer must substantiate the contribution by a contemporaneous written acknowledgement of the contribution by the charity. The acknowledgement must contain:

- 1) The amount of cash and a description of any property other than cash contributed.
- 2) A statement of whether or not the charity provided any goods or services in exchange for the contribution.
- 3) Description and good faith estimate of the value of any goods or services provided in exchanged for the gifts, or if the goods or services consist solely of intangible religious benefits, or a statement to that effect.

However, fundraisers and donors also should be aware that for payroll deductions, the contribution amount withheld from each payment of wages to a taxpayer is treated as a separate contribution for purposes of the \$250 threshold. Thus, a taxpayer who gave \$300 over the course of a year through payroll deductions would not trigger the \$250 substantiation requirement.

The new notice issued by the IRS is official, but temporary. The agency is expected to issue revised regulations in 2007, but the information above can and should be used until those regulations are effective.

The official notice is available on the IRS website, www.irs.gov.

AFP survey reveals top membership benefits

From AFP International Headquarters web site

Ethical guidance, including the *AFP Code of Ethical Principles and Standards of Professional Practice* and *The Donor Bill of Rights*, continues to rank as the top member benefit, according to the *2006 AFP Member Survey*.

AFP's *Code of Ethics* was ranked the No. 1 member benefit in both satisfaction and importance. *The Donor Bill of Rights* was ranked second in both categories.

Advancing Philanthropy, National Philanthropy Day® and the *AFP Compensation and Benefits Study* rounded out the top five benefits for member satisfaction. In terms of importance, public relations, the AFP website and *Advancing Philanthropy* were ranked third, fourth and fifth, respectively.

The survey also queried members about local chapter benefits.

The top five benefits were:

Networking

- Chapter programs/meetings
- Annual chapter conferences
- Leadership opportunities
- National Philanthropy Day

The survey was conducted through the volunteer Member Survey Task Force chaired by Joyce Mitchell, CFRE. Five AFP members who completed the survey were chosen at random to receive a complimentary membership. Those members are: Lisa M. Bly; David Condliffe, CFRE; Karen Medicus, CFRE; Ann Rosenfield, CFRE; and John Westfall.

The survey was sent to all members in the United States and Canada. AFP received nearly 1,400 responses. The survey had a 95 percent confidence level.