



LESSON TWENTY

Charitable Contributions: Giving to Others

TEACHERS

Introduction

Managing our personal finances is important in achieving our financial goals. While planning for our own financial future is critical, it's important to plan our giving to others as well. Contributing to a charity, religious or civic group is part of being a good citizen and a responsible member of society. In 2004, Americans gave approximately \$160 million dollars to various organizations called nonprofits (or not-for-profits). Nonprofits are a growing part of our economy, accounting for about eight percent of all economic activity. Our government knows contributions to nonprofits are important and structured the tax laws to reward people for giving money to certain organizations. This means we can subtract a portion of our donation from our income tax (called a tax deduction) while helping others. Tax deductions are incentives to encourage people to give to

Definition of the Week

Nonprofit: Any organization organized exclusively for religious, scientific, public safety, literary, or educational purposes and operated exclusively for the public — not private — interest.

organizations that provide goods and services to the general public at little or no cost. By developing specific strategies to donate to nonprofits, we can reduce our personal income taxes — and more importantly, benefit our community.

Purpose

This lesson will help students understand the importance of giving. Students will apply their analytical skills to develop a survey, compile results and examine their findings.

Procedure

1. Ask students if they are familiar with any nonprofit organizations. Make a list of the organizations and identify what goods or services they provide. Determine if the local, state or federal government would provide these services if the nonprofits did not exist. Discuss the personal satisfaction derived from volunteering or belonging to nonprofits, civic clubs and other similar groups.
2. Help students develop a survey to learn what organizations people in their school, family and/or neighborhood support. Students may ask about the types of organizations, the amount given to nonprofits and/or the number of hours volunteered with nonprofits or other charitable groups. Have students compile the results of their class survey and write a report on their findings.
3. Ask students to create an annotated list of organizations in their community or neighborhood where they could volunteer. Use the newspaper, telephone directory, Internet and other available resources to help students find ways to be involved in their community.

PARENT OPTION

Help your child research information on a specific nonprofit organization in your community. Focus on its history, special projects and its importance to the community or society. If possible, make arrangements for your child to interview a staff member of that organization to examine the organization's financial and non-financial needs. Also, explore ways to encourage more people to support its mission as either a volunteer or financial supporter. Find a story in the newspaper about nonprofit organizations; help your child develop math problems using the numbers given in the article. Discuss your volunteer activities and the organizations you financially support with your child. Identify a volunteer project in which the entire family could participate. Help your child determine how much they could contribute each month to a deserving nonprofit. Visit <http://www.give.org/tips/giving.asp> for tips on charitable contributions.

Mission Possible

CONGRATULATIONS! You have been given a large financial gift and asked to establish a new nonprofit organization. Develop a mission statement for the organization and a brief description of this organization and its goals.

What is the name of your new organization? _____

Who will your organization serve? _____

What needs do they have? _____

What kinds of goods and/or services will it provide? _____

Describe one special project your organization would like to offer (such as an after-school program, a seasonal project or a yearly community beautification project).

Why should others care about this organization and its mission? _____

How will others benefit from it? _____

How can others get involved? _____

Write a motto or slogan for your organization _____

Newspapers for this educational program provided by:



University of Central Oklahoma
Center for Economic Education
affiliated with the
Oklahoma Council on
Economic Education

Design a logo for your organization