

VIEWPOINTS

Strategies to make charitable giving fun and meaningful

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Guest columnists

Bombarded by requests for charitable gifts this holiday season? Overwhelmed by bell ringers collecting coins and kids selling baked goods? Want to give, but not sure how to make it meaningful and fun?

More than 30% of all charitable giving occurs in December, and 12% is done within the last three days of the year, according to the Network for Good.

If you're among the generous people still finalizing your charitable giving for 2019, consider these strategies to make your giving simple, joyful and powerful.

Make giving a family affair

Because many of us have focused time with family and the topic of giving is front of mind, it's a prime opportunity to teach younger generations about how philanthropy fits into your family's values and financial planning.

Giving as a family helps children grow up to be happier adults with closer family ties, according to a 2018 study by Fidelity Charitable. The study surveyed 3,000 individuals who gave to charity and itemized their taxes for 2017. Of those 3,000 individuals, 48% who grew up with strong giving traditions are very happy today, versus 33% who did not grow up with strong giving traditions.

You can start the conversation by discussing what your family values and how those values align with your charitable giving to date. This could include conversations about faith, community and personal experiences that have guided your choices about what causes to support.

Give to your passion

Everyone likes to support charitable causes related to things they're passionate about, and that is a fun way to energize the conversation and engage family members of all ages. Does your family love music? Are you excited about sports? Do you care deeply about education or the environment?

Once you've decided what you're passionate about, think about what nonprofit organizations are working on those issues. Delaware has hundreds of effective nonprofit organizations that can put your dollars to work to make a difference in the community, said Sheila Bravo, president of the Delaware Alliance for Nonprofit Advancement.

"Whether it is to keep our waters clean, engage us through the arts, care for our mental and physical health, aspire youth to reach their potential, these agencies work tirelessly to make our communities and quality of life better," Bravo said. "Their success though, is tied



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to community support. Volunteer time and talent, and donations from community members are the basic necessities for many nonprofits to fulfill their

missions."

This is a perfect way to involve small children, too. Talk to them about what they care about, whether it's animals, reading at the library, or going to the beach. They can get excited about helping to take care of those things and make sure that other children can enjoy them, too.

Regardless of age, charitable giving feels good when you understand the impact. For small children, look for very specific ways to explain the impact of their gift, such as, "This money will buy the monkey's breakfast for a month," or "Your gift will pay for 10 new books for children to enjoy at the library."

However, while it's helpful to use examples of how your gift might make a difference, Bravo said, it's best to let the nonprofit organization figure out how to put it to work.

"The staffs of nonprofit organizations are on the ground every day, working full time on the cause you care about. They understand where the greatest needs are," Bravo said. "An unrestricted gift is going to have the greatest impact on the cause you care about."

Manage the money

Once you've decided what you care about, talk about what your family has available to give.

Whether it's a small or large amount, your family can designate a budget for charitable giving. Some families designate an amount for each individual to give, while others work together to distribute the full amount.

This is a great opportunity for some basic lessons in budgeting, and it's also a positive way to start talking about family finances. So often, the first time we talk with our children about finances is when we must prepare a will or have other end-of-life conversations. Those are difficult talks. But talking about giving money away to make a difference? That's downright joyful.

You can also give more when you maximize tax advantages, and it's not too late to make charitable gifts that could reduce your 2019 taxes. Gifts made to nonprofit organizations by midnight on Dec. 31 count toward the 2019 tax year. But remember that recent changes in tax regulations have affected the number of people who itemize deductions, so it's



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important to check with your accountant or financial adviser.

If you know you want to make a larger charitable gift for tax purposes by the end of the year, but you're

not sure what nonprofits you want to support, a donor-advised fund at the Delaware Community Foundation (DCF) may be a good option for you.

By establishing a donor-advised fund by Dec. 31, you can make a gift of \$15,000-plus within the 2019 tax year. Then, when you're ready, the DCF can distribute the money to the nonprofits you wish to support.

If you're age 70½ or older and must take a required minimum distribution from your IRA by Dec. 31, consider a qualified charitable distribution (QCD). If you send the distribution directly to a nonprofit organization, it's tax-free and doesn't count toward your adjusted gross income.

Create your 2020 vision

This is the time for last-minute giving, but it's also a great time to start thinking about how to maximize your impact in 2020 and beyond.

Creative giving options may make it possible for you to make a significant charitable gift, even if you don't have much cash to give away.

If a \$1,000 charitable gift seems out of reach, what about breaking it up into monthly gifts of \$84 or weekly gifts of \$20?

A planned gift – leaving money to charity in your will – is a great way to support your favorite nonprofit organization without affecting your finances during your lifetime. Another option is to designate a nonprofit as the beneficiary of a life insurance policy – you may even be able to deduct the premiums from your taxes.

Many people don't realize they can give non-cash assets. Donating stock, real estate and other personal property

For information about these and other charitable giving opportunities, contact your financial adviser or the Delaware Community Foundation, 302.571.8004 or info@delcf.org.

*Still possible by Dec. 31, 2019

Questions to guide family giving conversations

- What are some things that you enjoy? What makes you happy?
- What could you do to help other people enjoy those things?
- What are some things you worry about? What do you wish were better in the world?
- What are some organizations that you currently give to? Why?
- What would you like to achieve with your giving?
- How do you want people to describe you?

can make a powerful impact and often result in tax advantages.

Make it joyful

Yes, charitable giving can be about sharing your values with family, leaving a legacy of generosity, and maximizing both tax advantages and impact.

But when it comes down to it, charitable giving should bring you joy.

Research shows us that giving makes us happier. It also shows that giving together, with other people, makes us even happier.

So make these last few days of 2019 truly joyful by giving, and giving together. Whether you give with family or maybe chosen family, have fun with it. ■

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Coming soon: Economic Forecast, Books of Lists

Our first issue of 2020 features our Economic Forecast, a look ahead at the trends and issues we believe will impact the state over the next year. We're interested in what our readers will be focusing on in 2020, your aspirations for success and what is seen as the biggest barrier to achieving it.

Let us know your forecast by completing a two-minute survey at surveymonkey.com/r/EF-DBT

Next March, Delaware Business Times will publish the Book of Lists, our annual compendium of information on Delaware's leading employers, businesses and nonprofits. Make sure the changes your enterprise has undergone this year are reflected in your listing. This helps your organization receive free publicity, and helps our team deliver engaging news throughout the year.

To review or update your information go to delawarebusinesstimes.com/lists/ or email mrocheleau@delawarebusinesstimes.com