

Philanthropy, Volunteerism, and Charity

LESSON DESCRIPTION (Background for the Instructor)

In this lesson, students will learn about various ways that people “give back” to their communities to improve their well-being and that of others. They will also learn about the difference between philanthropy and charity, “red flags” of charitable frauds, the benefits of volunteering, the value of the time that volunteers give, and students’ own personal inclination to volunteer and to make charitable gifts.

The lesson includes five activities that instructors can select from. In these activities, students will:

- ◆ View the video *Philanthropy Is...* and answer debriefing questions
- ◆ Identify the benefits of volunteerism and create a *Six Word Summary* graphic about one benefit
- ◆ Learn about the value of volunteer time and calculate the value of the time that they spend volunteering
- ◆ Conduct a *Web Quest* to learn about charitable giving frauds such as fake charities
- ◆ Take the online quiz *What Kind of Giver Are You?* to assess their personal charitable inclinations

The lesson also contains 10 assessment questions (5 multiple choice and 5 True-False), learning extensions (i.e., suggested learning activities beyond the scope of the lesson plan), and references and resources.

INTRODUCTION (Background for the Instructor)

Booker T. Washington, the renowned 19th century African-American educator and orator, once said:
If you want to lift yourself up, lift up someone else.

Philanthropy, volunteerism, and charity are all about giving to others and lifting them up through a voluntary contribution of money, talents, and/or time. All three methods of giving to others are key factors in the development of communities and improvement of the lives of people in a donor’s home town or city, state, country, or even around the world. They are how people show compassion for others who are less fortunate than they are or those who have been impacted by negative events such as a natural disaster.

Individuals can make both charitable and philanthropic donations. Both types of giving can make a big difference in the lives of others. While the words “philanthropy” and “charity” are often used interchangeably, there are subtle differences. While they both involve giving money directly to people or to causes or non-profit organizations that help people, charity tends to be a “one-off” immediate response to a short-term need. An example would be sending a check or texting a donation to the Red Cross after a natural disaster or to StandUp2Cancer after a fund-raising telethon.

Philanthropy is more long-term and strategic and often involves making multiple gifts to help people over a number of years. While charity is focused on providing immediate relief to people and is often driven by emotions, philanthropy is focused on helping people and solving their problems over the long-term. One [article](#) described the difference between charity and philanthropy this way: *Delivering bottled water to a drought-stricken village in East Africa is charity, but philanthropy is building a well.* Another way of describing the difference between these two methods of giving is that charity is a hand out to someone in need (e.g., giving them a fish) while philanthropy is a hand up (e.g., enabling them to fish for themselves).

When giving to charitable causes, whether it's one time or over a period of time, it is important to know the signs of charitable frauds. Unfortunately, some unscrupulous individuals prey on people's emotions and/or capitalize on current events to scam money from well-meaning donors.

In addition, not all charities are created equal. Instead, they vary in how they raise funds, operate, and fulfill their charitable missions. Some operate very effectively with low overhead and fund-raising costs while others have been accused of having "administrative bloat." Below are some tips for smart charitable gifting.

- ◆ **Be Deliberate, Not Impulsive-** Many people make impulsive giving decisions, basing gifts on who knocks at the door, phones, or mails an appeal. Instead, select charities whose work you admire.
- ◆ **Plan Your Donations-** Decide in advance to whom and how much to give and include charitable gifting in your financial plans. In other words, create a charitable gifting budget to guide your gifts.
- ◆ **Know How Donations Are Spent-** It is okay to ask what a gift will be used for. Many charities also produce an annual report with information on program results and their use of donated funds.
- ◆ **Know the Tax Rules-** If you are able to itemize deductions, check that organizations that you plan to send donations to are qualified by the IRS to receive tax-deductible contributions. Make sure that all charitable gifts of \$250 or more are properly acknowledged by the charity as per IRS income tax rules.
- ◆ **Check Your Charity-** Investigate a charity's "administrative expense ratio," which describes how it allocates its budget between funding its mission and funding fund-raising costs and other overhead. Three good online resources are www.charitynavigator.org , www.guidestar.org, and www.give.org.
- ◆ **Know the Signs of Charity Scams-**"Red Flags" for [fraud](#) include a name resembling a reputable organization, lack of detailed information about a charity and its use of funds, pressure to donate immediately, requests for cash or wire transfers, and offers to send a courier to collect a donation.

Before you write a check, type in a credit card number, or text-message a donation, learn as much as you can about the charitable organizations that have asked you for money. Doing some advance research before you make a charitable donation will help assure that money is well spent.

Charitable donations to IRS qualified [501\(c\)\(3\)](#) organizations are deductible on federal income tax returns only if taxpayers can benefit from itemizing (vs. taking the standard deduction). The tax savings is the amount of their gift multiplied by their marginal tax bracket. As a result of the Tax Cuts and Jobs Act of 2017, fewer taxpayers will be itemizing deductions from 2018 through 2025. There are other benefits to donating money, however, such as a feeling of satisfaction that is associated with helping others.

Volunteerism is the practice of working for an organization (typically a non-profit social service agency or charitable organization) without receiving a paycheck. When people are volunteers, they willingly donate their time and talents to benefit other people (or organizations that serve other people). There is no financial reward, however, for the time that they spend as there would be if they were an employee of the organization that they volunteer for. The reward from volunteering is the feeling of satisfaction that comes with "giving back" to others and making a difference in their community.

Volunteers make an incredibly large contribution in their local communities and beyond. According to Independent Sector, a national organization for non-profits, foundations, and corporations, the value of an hour of a volunteer's time in the U.S. in 2018 is \$24.69. An estimated 63 million Americans volunteer about 8 billion hours of time valued at approximately \$197.5 billion. National Volunteer Week is held every April and many organizations hold special celebrations to honor the service of their volunteers.

OBJECTIVES

Students will be able to:

- ◆ Compare and contrast the role of philanthropy, volunteerism, and charity in improving communities.
- ◆ Describe the benefits of philanthropy and charitable gifting, including income tax deductions.
- ◆ Describe five benefits of volunteerism (e.g., learn new skills, valuable experience, make friends, etc.).
- ◆ Describe steps that people can take to better understand charities and avoid charity scams.
- ◆ Describe their personal charitable inclinations and the value of their volunteerism.

NEW JERSEY PERSONAL FINANCIAL LITERACY STANDARD

- ◆ Standard 9.1.12.F.5: Compare and contrast the role of philanthropy, volunteer service, and charities in community development and quality of life in a variety of cultures.
See <http://www.state.nj.us/education/aps/cccs/career/FLFAQ.htm#gradcredit> and <http://www.state.nj.us/education/cccs/2014/career/91.pdf> for information about Standard 9.1

TIME REQUIRED

45 to 180 minutes (depending upon student progress and content depth and number of activities used)

MATERIALS

- ◆ YouTube Video (5:38): *Philanthropy Is...*: <https://www.youtube.com/watch?v=tZ5t8xD7qGU&t=2s> and debriefing questions
- ◆ *Six Word Summary* activity handout
- ◆ *What is the Value of Your Volunteerism?* activity handout
- ◆ *Web Quest: Charitable Giving Frauds* activity handout
- ◆ Online Quiz: *What Kind of Giver Are You?*: <https://www.csmonitor.com/World/Making-a-difference/2013/0627/What-kind-of-giver-are-you-Take-the-quiz/Pay-it-forward>
- ◆ *Philanthropy, Volunteerism, and Charity Quiz* (ASSESSMENT)

Teachers are encouraged to use as many of the student learning activities as time permits to provide a fuller understanding of philanthropy, volunteerism, and charity. The activities can also be used for extra credit assignments, homework, or after-school activities.

PROCEDURE

1. Ask students to explain what philanthropy is and what they know about it. Conclude by telling students that the word “philanthropy” means “the love of humanity.” Philanthropy is planned giving designed to address the root cause of a problem over a period of time. Charity is giving to relieve an immediate problem. Then ask students if they have made any charitable gifts or volunteered their time recently to help others. Ask for volunteers to describe their experiences and their motivation for “giving back.”

Answers will vary. Students may note a personal connection to the charitable cause that they donated to (e.g., a parent who has had cancer prompting a donation to the American Cancer Society) or an emotional reaction to a television program about people in distress (e.g., tornado victims). They might also speak about experiencing a feeling of satisfaction that comes with helping others.

2. **Activity 1:** Show the video *Philanthropy Is...* (Minnesota Council on Foundations) and debrief the following questions (based on video content) with students.

What is your definition of philanthropy based on the descriptions that were provided in the video?

Philanthropy is the giving of personal resources (e.g., money and time) to “make things happen” (i.e., bring about change), help other people, make a difference, and “give back” for having had good fortune in life.

What events or feelings can prompt people to become philanthropists?

- ◆ Seeing people who have experienced negative events (e.g., illnesses and natural disasters) and feeling fortunate that they did not happen to you or your family.
- ◆ Personally experiencing a stressful situation (e.g., a video subject who had breast cancer).
- ◆ Feeling empathy for families when you have a family of your own.
- ◆ Wanting to make a difference with your time, energy, and resources.
- ◆ Believing that “the more you give, the more you get.”
- ◆ Feeling joy when you help other people.

What personal resources can people give to other people or organizations that help others?

People can give their money, skills (talents), and/or time.

How many people do philanthropists need to positively affect to make their gifts worthwhile?

Only one person.

Do you agree with the statement “The more you give away, the more you have”?

Student answers will vary for this question. A clear justification for their opinion should be provided.

Do you consider yourself to be a philanthropist? Why or why not?

Student answers will vary for this question. A clear justification for their opinion should be provided.

Note that the video concludes by noting there shouldn’t be a distinction between “big philanthropists” and “small philanthropists” and that even small donors who give \$10 per year are technically philanthropists.

Do you know any philanthropists personally or well-known past or present day philanthropists?

Student answers will vary for the first question about personal connections to philanthropists.

Andrew Carnegie was mentioned in the video. Other well-known [philanthropists](#) include: Bill and Melinda Gates, Paul Allen, Mark Zuckerberg, Warren Buffet, Bono, Michael Bloomberg, George Soros, Ted Turner, Jon Bon Jovi, Howard Hughes, Sir Richard Branson, John D. Rockefeller, and Alfred Nobel.

- 3. **Activity 2:** Distribute the *Six Word Summary* activity handout. Ask students to work together in small groups to search for 2-3 articles about the benefits of volunteerism and to create a graphic image, using a tool such as Canva or Paint (found in Microsoft Windows Accessories), or the “Save as” “jpeg image” function of PowerPoint to present a six word summary about volunteering. A sample *Six Word Summary* graphic is shown below. To take the project further, combine the graphic images into a video.

Paint Instructions: Open up a blank PowerPoint slide. Select a background color or design. Type six words that describe benefits of volunteering into a textbox. Find a picture or graphic that supports the text description. Take a screen shot of the slide. Open up Paint and insert the screen shot. Crop the image as desired. Give the graphic image of the PowerPoint slide screen shot a file name and save it.

Helping People and Making New Friends



- 4. **Activity 3:** Distribute the *What Is the Value of Your Volunteerism?* activity handout and ask students to complete it. Debrief the activity with a sharing of students’ volunteer experiences, motivations for volunteering, and math calculations of the dollar value of their volunteer time. The questions are below:

List all the organizations that you volunteer for in the chart below, along with your motivation for volunteering for each organization and the number of hours that you volunteer annually for each organization. Total up the number of hours that you volunteer annually to help people directly or to help organizations that help people (e.g., a church, club, or non-profit charity).

Name of Organization	Motivation for Volunteering	Volunteer Hours

What is the total number of hours that you volunteer annually? _____ hours

The estimated value of an hour of volunteer time in 2018 is \$24.69 per hour. What is the value of your volunteerism?

_____ hours x \$24.69 per hour = \$_____

Student responses to these questions will vary. Some students will volunteer more than others and they may need to be prompted about activities that “count” as volunteer service. Instructors should search “The Value of Volunteer Time” before doing this activity to obtain the latest figure from Independent Sector.

5. **Activity 4:** Distribute the *Web Quest: Charitable Giving Frauds* activity handout. Ask students to conduct an online search to find information from reputable sources (e.g., non-profit organizations and government agencies) to learn about charitable giving frauds. Search for terms such as “charitable fraud” and “fake charities.” Debrief the activity by having students discuss what they found out about charitable giving fraud and indicators that a group purporting to be a charity might be fraudulent.

Student answers about charitable fraud will vary but are likely to contain some of the following points:

- ◆ *Fake charities often have names that sound similar to well-known established charities.*
- ◆ *Beware of organizations that refuse to provide information about their identity (e.g., physical address, and phone number), mission, and past and future use of donated funds.*
- ◆ *Never give out personal information to unknown parties who solicit it by phone or online.*
- ◆ *Check the IRS web site to make sure that a charity is a qualified 501(c)(3) organization.*
- ◆ *Check out a charity’s reputation by contacting a local Better Business Bureau or searching websites such as www.guidestar.org and www.charitynavigator.org.*
- ◆ *A red flag for fraud is being thanked for a donation pledge that you don’t remember making. Another is being asked for donations in cash or with prepaid debit cards or wire transfers.*
- ◆ *Walk away from high-pressure charity solicitations requesting an immediate payment or wire transfer.*
- ◆ *Beware of organizations that offer to send a courier or overnight delivery service for a donation.*
- ◆ *Report a charity scam to local law enforcement and/or the state attorney general’s office.*
- ◆ *Beware of charities that spring up suddenly following a natural disaster or other catastrophic event.*

6. **Activity 5:** Direct students to the *What Kind of Giver Are You?* online [quiz](#) from *The Christian Science Monitor* and have them take this 20 question quiz. Each quiz question has four or five possible answers and the quiz should take students about 10 to 15 minutes to complete.

Students will receive a classification of their giving personality (see sample below) as well as a summary of their answers to the 20 quiz questions about their personal thoughts and actions related to charitable gifting and volunteerism. Their final score will place them into one of three categories: Reserved Giver, Volunteer Giver, and Generous Giver. Emphasize that there is no “right” or “wrong” giving personality. Like values, people have their own individual preferences and personality traits.

What kind of giver are you? Take the quiz

The Giver Quiz results are tabulated by assigning a score to each answer and then adding the scores up. Your final score determines which of our three categories you fall into.

Disagree with the results? [Take the quiz again!](#)

Your results

You're a "Volunteer Giver"

Congratulations! Mother Teresa would appreciate your generosity. You tend to donate more of your time than money to charitable organizations. You probably recognize the benefits of self-less service to society but often don't feel that you can afford to give as much cash as you'd like. You may even quote a 1999 study led by Doug Oman of the University of California, Berkeley, who found that elderly people who volunteered for two or more organizations were 44 percent less likely to die over a five-year period than were non-volunteers.

CLOSURE

Ask students if they have any remaining questions about philanthropy, volunteerism, and charity. Remind students that many of them are already generous donors in their communities (give examples from Activity 3) and that there are many ways that people can “give back” or “pay it forward” to help others.

GLOSSARY

Administrative Expense Ratio (a.k.a., Program Expense Ratio)- The percentage of total expenses that a charity spent on its programs to help people in a given year. For example, a 75% administrative expense ratio means that 75% of a charity's spending went to program expenses and the remaining 25% was spent on overhead expenses such as fund-raising, building maintenance, and management.

Better Business Bureau- An organization that consumers can contact for information about a business's or non-profit organization's track record of delivering satisfactory results and demonstrating ethical behavior.

Charity- The process of voluntarily giving assistance, typically money, to people in need.

Charitable Fraud- The act of deceiving people into giving money to fraudulent or non-existent charities.

Charitable Organization- The general term used to describe non-profit organizations that people make donations to because they provide supportive services to people in need.

501(c)(3) Organization- A tax-exempt organization under section 501(c)(3) of the U.S. tax code for which taxpayers who itemize tax deductions can receive a federal income tax deduction.

Itemized Tax Deduction- Expenses (e.g., charitable gifts) that taxpayers can deduct from their adjusted gross income to lower their tax liability, if the combined total exceeds the standard deduction amount.

Philanthropy- The process of making strategic gifts to help people and solve problems over the long-term.

Volunteerism- The donation of a person's time and talents without pay to help other people directly or to help people indirectly by assisting charitable or educational organizations that serve people in need.

LEARNING EXTENSIONS

If time permits, the following activities can be used to extend the depth of this lesson:

- ◆ Show the YouTube *Philanthropy Is...* video from Indiana University that features college students speaking about making donations to benefit others: <https://www.youtube.com/watch?v=DXr3bz5e9iM>
- ◆ Have students take the five question ProProfs' *What Kind of Philanthropist are You?* online quiz: https://www.proprofs.com/quiz-school/story.php?title=what-kind-philanthropist-are-you_1. Based on answers to the five questions, the quiz categorizes users into one of four types of philanthropists: Visionary, Ringleader, Cheerleader, and Networker.
- ◆ Invite the director of a local non-profit human services organization (or several directors as a panel of speakers) to discuss the work of their organization(s) and fundraising methods.
- ◆ Plan and implement a class service project to volunteer time to assist a local non-profit organization or to raise funds to make a donation to a local charitable organization.
- ◆ Make a video, using *MovieMaker* or a similar program, with the graphic images that were developed from the *Six Word Summary* activity (Activity 2).
- ◆ Use the graphic images that were developed from the *Six Word Summary* activity (Activity 2) in social media messages about the benefits of volunteerism.
- ◆ Have students write a summary of what they learned about philanthropy, volunteerism, and charity for the school newspaper.
- ◆ Have students review and discuss the following infographics about philanthropy:
 - A Brief History of Charitable Gifting* (Visually): <https://visual.ly/community/infographic/history/brief-history-charitable-giving>
 - Redefining Action Hero: Bill Gates is Better Than Batman* (Visually): <https://visual.ly/community/infographic/economy/redefining-action-hero-bill-gates-better-batman>
 - Corporate Philanthropists: Biggest Donations Ever* (Visually): <https://visual.ly/community/infographic/business/corporate-philanthropists-biggest-donations-ever>
 - The Current and Future State of Nonprofit Philanthropy* (Philanthropy News Digest): <http://pndblog.typepad.com/pndblog/2017/05/infographic-the-current-and-future-state-of-nonprofit-philanthropy.html>
 - Seeing the Numbers* (Giving USA): <https://givingusa.org/see-the-numbers-giving-usa-2017-infographic/>
- ◆ Use all or part of the National Philanthropy Day® lesson plans (available for four grade levels: K-2, 3-5, 6-8, and 9-12) developed by the Association of Fundraising Professionals: <https://www.afpnet.org/About/content.cfm?ItemNumber=4608>

ASSESSMENT: *Philanthropy, Volunteerism, and Charity Quiz*

Instructors are encouraged to use the questions below for content review or as a pre-and/or post-test to determine gains in student knowledge about philanthropy and charitable gifting after teaching this lesson.

Correct answers to the multiple choice and True-False questions are shown in boldface type.

Multiple Choice Questions

1. Taxpayers are able to deduct contributions made to
 - a. 401(k)(1) organizations
 - b. 403(b)(6) organizations
 - c. 501(c)(3) organizations**
 - d. 508(d)(4) organizations
2. Which is the best way to help people after a major natural disaster?
 - a. Box up and send old clothing
 - b. Donate money to a vetted charity**
 - c. Start a private foundation
 - d. Send nonperishable food items
3. Which type of giving to others involves long-term strategic planning to solve societal problems?
 - a. Charity
 - b. Donating
 - c. Volunteering
 - d. Philanthropy**
4. The value of an hour of a volunteer's time in 2018 was estimated to be
 - a. \$18.42
 - b. \$21.57
 - c. \$24.69**
 - d. \$29.23
5. What is the administrative expense ratio for a charity that spends 80% of its expenses on its programs?
 - a. 80%**
 - b. 20%
 - c. 40%
 - d. 60%

True-False Questions

1. There are benefits, beyond receiving a tax deduction, to giving money to help others (**TRUE: Many people who make charitable gifts report a sense of satisfaction and/or joy that comes from giving their money and/or time to benefit other people. A tax deduction is not their only motivation**)

2. Charity is more focused on providing immediate relief to people in need than philanthropy (**TRUE: Charity is often driven by emotions and is often prompted in response to current events such as natural disasters at home and abroad. Philanthropy, conversely, is focused on helping people solve problems over the long term by attacking their root causes and fostering self-sufficiency**)
3. All taxpayers who make charitable contributions can get a tax write-off for their donations (**FALSE: Only taxpayers who benefit from itemizing deductions can take a deduction for their charitable contributions. All other taxpayers take the standard deduction, which is a flat dollar amount that is subtracted from their adjusted gross income**)
4. The lower a charity's administrative expense ratio, the more of its expenses go to its charitable programs (**FALSE: The higher the ratio number- e.g., 80% versus 65%, the greater the percentage of a charity's expenses that go to its programs versus overhead expenses such as management of the charitable organization and fundraising**)
5. Volunteers can deduct the value of the time that they contribute to charitable organizations (**FALSE: The value of a volunteer's time is not deductible. If a volunteer is able to itemize deductions, however, mileage and expenses incurred to support a charitable organization may be deductible. As with all tax-deductible expenses, documentation is required in the event of an audit**)

REFERENCES AND RESOURCES

8 *Long-Term Health Benefits of Volunteering* (Nonprofit Hub): <https://nonprohithub.org/featured/8-long-term-health-benefits-of-volunteering/>

Fake Charities on the IRS "Dirty Dozen" list of Tax Scams for 2017 (IRS): <https://www.irs.gov/newsroom/fake-charities-on-the-irs-dirty-dozen-list-of-tax-scams-for-2017>

15 *Unexpected Benefits of Volunteering That Will Inspire You* (The Balance): <https://www.thebalancesmb.com/unexpected-benefits-of-volunteering-4132453>

Is There a Difference Between Charity and Philanthropy? (The Melvin and Bren Simon Foundation): <http://www.brensimon.com/difference-between-charity-and-philanthropy/>.

List of Famous Philanthropists (Ranker): [https://www.ranker.com/list/notable-philanthropist_s\)/reference](https://www.ranker.com/list/notable-philanthropist_s)/reference)

National Volunteer Week: Celebrate Service (Points of Light): <https://ww2.pointsoflight.org/nvw>

Stats for Stories: National Volunteer Week 2018 (U.S. Census Bureau): <https://www.census.gov/newsroom/stories/2018/volunteer-week.html>

The Difference Between Charity and Philanthropy (Matthew Smith): <https://www.linkedin.com/pulse/20140411163627-9623993-the-difference-between-charity-and-philanthropy>

Value of Volunteer Time (Independent Sector): <https://independentsector.org/value-of-volunteer-time-2018/>

Volunteering and Its Surprising Benefits (Helpguide.org): <https://www.helpguide.org/articles/healthy-living/volunteering-and-its-surprising-benefits.htm>

What is a Philanthropist? (Fidelity Charitable): <https://www.fidelitycharitable.org/philanthropy/what-is-a-philanthropist.shtml>

Philanthropy Is...

Debriefing Questions

After watching the video *Philanthropy Is...*, answer the following questions:

What is your definition of philanthropy based on the descriptions that were provided in the video?

What events or feelings can prompt people to become philanthropists?

What personal resources can people give to other people or organizations that help others?

How many people do philanthropists need to positively affect to make their gifts worthwhile?

Do you agree with the statement “The more you give away, the more you have”?

Do you consider yourself to be a philanthropist? Why or why not?

Do you know any philanthropists personally or well-known past or present day philanthropists?

Six Word Summary

Instructions:

Form a small work group. Go to an online search engine and look for articles about the benefits of volunteerism. Pick one benefit and describe it in exactly six words. Use the space below to plan your message.

Create a digital image that includes your *Six Word Summary* and an accompanying photo or graphic. Save the image as a jpeg (or similar graphic image) file. Share your group's *Six Word Summary* with the entire class.

A large, empty rectangular box with a thin black border, intended for students to create a digital image that includes their six-word summary and an accompanying photo or graphic.

Web Quest: Charitable Giving Frauds

Use an online search engine (e.g., Google, Bing) to search for information about charitable giving frauds. Find three articles from government agencies or non-profit-organizations without a commercial interest about “red flag” signs of fraud and stories about how people were swindled out of their money. List several key take-aways from each of the articles in the spaces below.

Information Source	Information About Charitable Fraud

What Kind of Giver Are You?

Debriefing Questions

Instructions:

1. Take the 20-question online quiz at <https://www.csmonitor.com/World/Making-a-difference/2013/0627/What-kind-of-giver-are-you-Take-the-quiz/Pay-it-forward>.
2. Read the description of your giving personality: Reserved Giver, Volunteer Giver, or Generous Giver.
3. List three characteristics of your giving personality in the box below:

My Giving Personality Characteristics	
1.	
2.	
3.	

4. Describe whether or not you agree with your giving personality assessment. Why or why not?

Philanthropy, Volunteerism, and Charity Quiz

Multiple Choice Questions:

Circle the correct answer from among the four answers provided.

1. Taxpayers are able to deduct contributions made to
 - a. 401(k) organizations
 - b. 403(b)(6) organizations
 - c. 501(c)(3) organizations
 - d. 508(d)(4) organizations

2. Which is the best way to help people after a major natural disaster?
 - a. Box up and send old clothing
 - b. Donate money to a vetted charity
 - c. Start a private foundation
 - d. Send nonperishable food items

3. Which type of giving to others involves long-term strategic planning to solve societal problems?
 - a. Charity
 - b. Donating
 - c. Volunteering
 - d. Philanthropy

4. The value of an hour of a volunteer's time in 2018 was estimated to be
 - a. \$18.42
 - b. \$21.57
 - c. \$24.69
 - d. \$29.23

5. What is the administrative expense ratio for a charity that spends 80% of its expenses on its programs?
 - a. 80%
 - b. 20%
 - c. 40%
 - d. 60%

True-False Questions:

Mark "T" for True or "F" for False in the space before each question.

- ___ 1. There are benefits, beyond receiving a tax deduction, to giving money to help others.

- ___ 2. Charity is more focused on providing immediate relief to people in need than philanthropy.

- ___ 3. All taxpayers who make charitable contributions can get a tax write-off for their donations.

- ___ 4. The lower a charity's administrative expense ratio, the more of its expenses go to its charitable programs.

- ___ 5. Volunteers can deduct the value of the time that they contribute to charitable organizations.

The *Philanthropy, Volunteerism, and Charity* lesson plan was written by Dr. Barbara O’Neill, CFP®, Extension Specialist in Financial Resource Management for Rutgers Cooperative Extension (boneill@njaes.rutgers.edu).

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