

LEADERSHIP

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QUESTION: “Our support group periodically asks the attendees for a donation, which I am glad to do. Are they obligated to send me a receipt for my taxes? Are registered non-profit group requirements different from others? Our group recently received its 501(c)(3) status.”

ANSWER: Donors should have documented evidence of their donations to 501(c)(3) organizations, showing the date a donation is made, to whom, in what amount, and donor details. Certainly a cancelled check is a receipt that gives all the required information for cash gifts. So does a credit card statement. Without these, a receipt from the group is necessary. Non-profits acknowledge non-cash donations in writing if they are worth \$250 or more.

Here’s a question—why wouldn’t every polio support group WANT to send receipts to all donors in the form of short thank-you notes? Why not express the gratitude we all feel for those who offer our groups financial assistance? Individuals ought to hear that their gifts are appreciated.

Many polio support groups are not registered, and they operate just fine. But for those that are 501(c)(3) charitable organizations, there’s much to know. The rules are not to be taken casually. It’s always prudent to check with a tax advisor or lawyer. Also, take a look at the Internal Revenue Service (United States Department of the Treasury) website (<http://www.irs.gov/charities/charitable/index.html>). Study all the specifics. Perhaps this column can point out some directions to travel, as well:

The IRS 501(c)(3) pages are fascinating. For instance, did you know:

- Non-profit groups operate under strict guidelines. They choose specific charitable purposes when they organize, which they must always follow. Most of our polio support groups fit the bill by stating ways we intend to help polio survivors and their families, the medical community, and the general public. The goal is usually to understand and deal with post-polio issues through such venues as:
 - providing support group meetings
 - supplying polio information
 - developing educational outlets
 - advocating in a variety of directions
 - cooperating with research efforts.
- The assets of 501(c)(3) groups are meant to be dedicated to the charitable purposes listed (such as described above) in their organizing documents. It’s a good idea to check these periodically to be sure your group is still on target. The corporation can pay reasonable amounts to keep the organization running, but the rest of the funds need to go to the official purposes stated.

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- If a 501(c)(3) group dissolves, whatever money is left in the pot must be given for one of the specific purposes named in the charitable tax information section of the code.

Interestingly enough, these policies serve equally well as guidelines for unincorporated support groups—actually, most may already follow a similar path. Our groups have a history of choosing worthy goals that are remarkably alike, regardless of whether or not they are registered organizations.

Becoming a 501(c)(3) nonprofit corporation means something special to a group—and to its donors. That designation should assure people their gifts will be spent for the charitable activities named as **purposes** of the group. Knowing groups are trustworthy is one reason people prefer to donate to such charities. That's a valuable incentive.

It doesn't pay to violate this trust. Initially, treating our members to special events and dinners at upscale restaurants, paid for by donations to the group, might sound like fun. We might even harbor momentary fantasies of getting away with such a spree by calling it "support." But it doesn't take the IRS to tell most of us that squandering the group's cash in that way is just plain wrong.

Polio survivors are better than that. We understand we have ethical responsibilities to uphold, whether our groups are non-profit or not. All of us should expect group funds to go to honorable purposes. We should also expect to hear regular financial reports, full disclosure, so that everyone knows the status of the treasury—how much comes in from where, how much goes out to where, and the balance of all funds. It's a good idea to have the books reviewed annually by an independent CPA.

Polio support groups have much left to do to meet our goals. Think of it—we've been making an impact all these years (with or without 501(c)(3) status). There are many reasons to continue. Here are only a few:

Recently PHI printed a sad letter from a grieving woman whose brother died from respiratory difficulties left untreated by uninformed medical personnel. Merely knowing that treating underventilation with the right breathing machine rather than with oxygen most certainly would have saved the man's life. Surely we can get vital polio information like this into the right hands. Why not use our group money to save lives?

PHI's "TAKE CHARGE, NOT CHANCES" is the perfect portfolio guide for everyone connected with home mechanical ventilation. Shouldn't groups buy these and distribute them wisely to help survivors avoid respiratory crises?

Polio survivors have benefited immensely from understanding how various kinds of anesthesia can affect their polio bodies. Likewise, consider how being aware of how certain medications affect polio survivors—and how prescribing lower doses often prevents problems. Why not put our treasuries to vigorous use passing on this kind of important information?

Providing continuing education opportunities for survivors and those in the medical community is one of the best uses of group funds. Workshops, conferences, speakers—a myriad of ways exist. Groups with money can perform miracles! (Well, almost...)

WE'RE STILL HERE taught us that there are still many polio survivors newly experiencing polio problems, looking for information and support. Through this campaign we saw members devise ingenious publicity angles to draw newcomers to our meetings. What better use for our finances!

So, as 501(c)(3) organizations or not, groups can use their cash in healthy, productive, and highly beneficial ways. Regardless of how our lives have changed over the years, there is still much our groups can accomplish—and a lot of that may be achieved by simple judicious spending.
