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ONLINE GIVING DONOR & CONSUMER GUIDE

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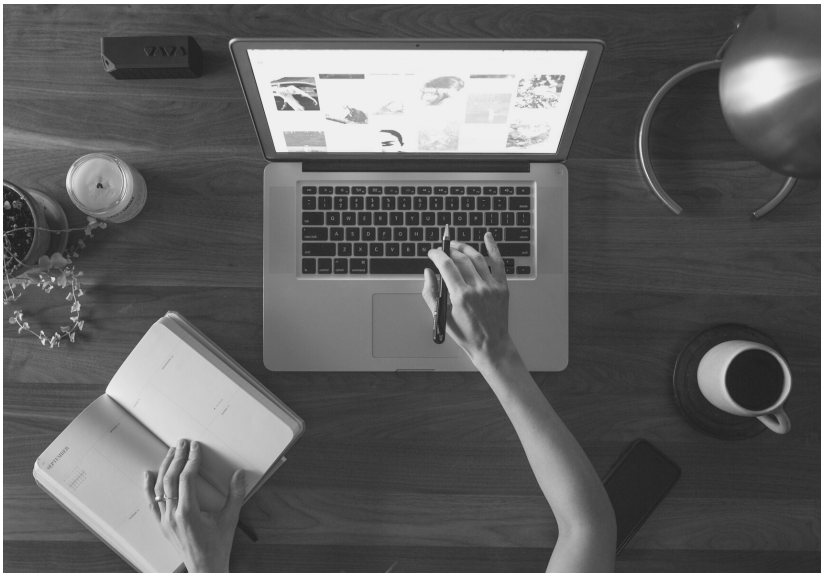
DONORS EXPECT THE CONVENIENCE, EASE & SPEED OF GIVING TO CHARITY ONLINE

However, donating online through a platform or app does not mean a charity gets your donation directly, gets the full amount donated or that the money gets there immediately. To understand what happens when you donate online, ask yourself these questions:

- Am I giving directly to a charity, to a giving platform or to an individual who is raising money for a charity?
- Will fees be deducted from my donation, or does 100% reach the charity I select?
- Will a charity receive my contact information?
- How long will it take for the charity to receive my donation?
- Is there a scenario where the charity I select will not receive my donation?
- How does the platform or app vet a charity or a charitable campaign to avoid fraud?

This guide covers key information for donors to consider when donating online.

RESEARCH BEFORE DONATING



Giving online can be easy, and even sometimes impulsive—a friend flags a charity or a cause on social media, and you want to support it. But the wise giving advice that applies to traditional giving also applies to online giving. Do not assume a campaign or a charity has been reviewed by an online platform. Make sure that a campaign is actually charitable, and the charity has a good track record before you click to give.

To check if a charity has tax-exempt status, you can use the IRS's Exempt Organization Search. It lets you look up an organization by name. If the organization has 501(c)(3) exemption, it means that the IRS classifies it as a charity and donations to it are tax-deductible.

To check if a charity has a good reputation, or to check if there are warning signs, you can look at their ratings on charity evaluation or watchdog organization sites like CharityWatch or Charity Navigator. These nonprofit organizations evaluate a charity's track record by looking at its financial stability, governance and transparency. Some charity watch organizations also provide alerts or advisories when there are signs of fraud or other issues. If a charity does not have a good rating, you may want to give to another charity with the same purpose that has a better rating.

You should also check if a charity is compliant with your state's nonprofit laws. Many states require charities to register before they can fundraise from their residents. If your state has such a requirement, check the registry and see if the charity you want to support is in it.

Also, keep in mind that some online platforms allow crowdfunding or peer-to-peer fundraising campaigns for charitable causes without identifying a specific charity to receive the donations. For example, “Mr. DoGood” may start a campaign to raise funds for first responders, cancer survivors, or hurricane victims without naming a particular charity. When this happens, the donation may be given to the person who created the campaign and not a legitimate charity. Carefully read the campaign language to find out if this is the case, and if the campaign is not conducted by someone you know and trust to give the funds to a charity, you should not donate to the campaign. Additionally, remember peer-to-peer campaigns requesting money to help someone reach a personal goal, like college tuition, are not considered charitable donations.

Once you determine a campaign benefits a charity you want to support, consider the following questions throughout this guide.

1) WHO ARE YOU GIVING THE DONATION TO? WILL THE CHARITY RECEIVE IT?

On many online platforms, apps, or other modern giving mechanisms, donors do not make their contributions directly to the charity they select. Rather, the donations are made to the platform that will receive, hold, and distribute the donations; or to another charity affiliated with the platform. On these platforms, donors are merely recommending a donation to the charity of their choice from a list of charities the platform provides.

Your donation will likely reach the charity you select, but the platform or its partnering charity may have the right not to give the donation to your desired charity. For example, if the charity you select has not agreed to the terms the platform requires to receive donations, the platform may not give your donation to the charity.

When a platform or its partnering charity chooses not to give a donation to a charity you select, it may choose an alternate charity instead of contacting you to select another charity. If you would like to recommend an alternate charity, confirm whether the platform will let you do this at the time of your donation. Check a platform's terms of use and other service terms. If it is unclear whom you are donating to, find another way to support your charity, such as giving directly through the charity's website.

2) HOW MUCH OF YOUR DONATION DOES THE CHARITY RECEIVE?

Fees may automatically be deducted from a donation you make. These may include credit card processing fees, as well as other transaction or platform fees. Some charitable fundraising platforms may ask donors to pay more than their intended donation to cover these fees. These should be clearly disclosed, but if they are not, do not simply assume there are no fees.

When platforms ask you to pay these additional fees on top of your donation, do not feel pressured to do so.

3) HOW LONG DOES IT TAKE FOR A CHARITY TO GET YOUR DONATION?

Giving online may seem like a way to ensure a charity gets your donation quickly. For instance, you may have designated a donation for a specific charity that is helping victims of a recent natural disaster, and you would like your funds to be used by the charity as quickly as possible. If you give through an online platform, however, it may aggregate donations for a charity from multiple donors or wait to reach a minimum amount (e.g. $1000) before granting the donation. The platform may also grant the donations on a set schedule (e.g. monthly), and platforms need time to confirm whether the designated charity is eligible to receive the grants and to account for any fees taken from donations.

Check if the platform clearly explains its disbursement policy and how long it keeps donations before granting them to charities. If you would like a charity to receive your donation as quickly as possible, consider donating directly to the charity through its own website. With giving via text, there also is a delay because the gift flows through your wireless bill.

Even if the length of time to disbursement is not a concern, you may want to know whether a charity you chose has received the funds. Many charitable fundraising platforms, however, do not currently notify donors when they distribute donated funds.

Before you donate, confirm with the platform its disbursement policy, schedule, and whether it will notify you when your donation is sent.

4) WILL THE CHARITY RECEIVE YOUR CONTACT INFORMATION?

Some donors want to give anonymously, while others want to be acknowledged by a charity for donations made. You may also want to be contacted by the charity you selected to learn more about its charitable programs, volunteer activities, and other events.

Find out whether and how a charitable fundraising platform or app shares your name, e-mail address, and other contact information with charities you designate to receive your donation. With text giving, your contact information is not shared with the designated charity, so if you want to receive information, you will need to follow up directly with the charity.

Also, research whether and how the platforms will use your information when you make donations or otherwise support charities on their platforms. This information generally can be found in the terms of use.

We hope this guide provides a starting point for questions you should ask before giving through an online platform.

Technology facilitates giving & donors should use it to their advantage to support the legitimate charities of their choice.

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