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Secretary of State

Donor Tips – Investigate Before You Give

The wisest giver is an informed giver. You give to a charity because you want to make a difference. And you want to make sure your hard-earned charitable contributions are spent in the most efficient, effective way possible. That is why the Secretary of State's Office recommends that you ask questions before you give.

Often, callers soliciting contributions are not volunteers, but rather professional fundraisers. These paid telemarketers are required to identify themselves under our charities law. In all cases, you should ask how much of every dollar raised goes to the charity.

Never be afraid to ask for information in writing. If asked, the professional charity telemarketer must immediately inform you of the percentage of money that actually goes to the charity. In addition, this information must be confirmed in writing by the telemarketer within fourteen (14) days of your request. You are entitled to the truth about where your money goes.

To make the most informed decisions regarding your charitable donations, follow these guidelines:

- ❑ **Know your charity.** Ask questions before giving and ask for answers in writing. Legitimate charities welcome your inquiries.
- ❑ **Avoid pressure tactics.** You do not have to give immediately; take time to evaluate the information provided by the group. Don't give in to "scare" tactics.
- ❑ **Watch for "same names."** Many charities have similar names. Some scam artists intentionally use names resembling those of respected groups. Make sure you know which group is really asking for your donation.
- ❑ **Be wary of telephone calls.** Get the name of the person calling and the exact name of the charity. Ask if the caller is a professional fundraiser, and, if so, how much of your donation actually goes to the charity.
- ❑ **Verify mail solicitations.** Be wary of mail including novelty items that you can keep "if you contribute." Federal law states that unless you ordered the item, you can keep it without contributing.
- ❑ **Always get receipts.** Especially for cash contributions, always get receipts. These are important for tax deductions and provide a tracking mechanism for donations.
- ❑ **Volunteer cautiously.** Remember, your family and friends trust you to know the organization. Make sure you do.

All charitable organizations are required to register with the Secretary of State's Office and renew yearly. Certain types of organizations are exempt from registration, but are nevertheless required to file a notice of exemption with the Secretary of State's Office. Bona fide, duly constituted religious institutions are not required to register or file exemption forms with the Secretary of State's Office. In addition, if an organization is a nonprofit corporation, it must file its formation document with the Filing Services Unit of the Business Services Division.

Call the Secretary of State's Office at (601) 359-1350 or (888) 236-6167 if you still have doubts - we will be happy to help.

