



Dear Friends,

Welcome to the November 2004 issue of the CAF America e-bulletin.



Fall marks the busiest period for holiday giving here in the USA as Thanksgiving, Christmas and other holidays approach. In this issue I cover holiday giving and why this is an important time of year for you to consider your U.S. donors.

The Presidential elections are now over and discussions regarding new regulation of the nonprofit sector continue. In our Washington Update section I outline the latest developments and their potential impact on your fundraising.

CAF America will offer online access for its donor advised fund and matched donor advised fund holders beginning in December. I will discuss why it is now more important than ever for you to keep us up to date with your project needs, activities, and fundraising plans here in the USA.

As our next e-bulletin will be in February 2005 I would like to take this opportunity to wish you a happy and safe holiday season, and successful holiday fundraising for your organization.

SKE Saxon-Harrold

Susan K.E. Saxon-Harrold
Chief Executive Officer.

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Holiday Giving

The first nine months of 2004 saw a rise in charitable giving in the USA indicating that foreign charities could greatly benefit from increased giving this holiday season. 76 percent of Americans will plan to make a charitable contribution this holiday season and give more or the same as last year. In 2003 Americans gave a staggering \$241 billion to charities and religious organizations, which represented 89 percent of households giving an average of \$1,620. The average holiday gift is likely to be upwards of \$125 according to research undertaken by American Express in 2002.

The year-end holiday season is an extremely important time for donors and charities alike. For donors, the rise in charitable giving reflects continued generosity. For overseas charities that make the most of their relationship with CAFAmerica, we hope the upward trend in donations will be an indication that 2004 will be a successful year for fundraising.

Here are some tips regarding holiday giving:

American Donors Research Charities

Many American donors gather information about potential grantees throughout the year. They may check websites or ask us for your publications or financial statements. So keep in touch with your American donors regularly and they will be more interested in supporting you at the end of the year. Remember also to send your latest Annual Report and Financial Statement each year to CAFAmerica. We can then answer questions when donors contact us directly.

Simple Ways to Encourage Giving

Donors will choose a giving method that is safe and easy. One reason many donors use CAFAmerica is because we take care of all the due diligence that is necessary to make a foreign grant.

Maximum Tax Benefits

Most charitable gifts are tax deductible. There are different tax advantages for the donor depending on the types of assets or whether the gift is to a public charity like CAFAmerica. A gift to CAFAmerica before December 31st 2004 will reduce the individual donor's income tax immediately. The ability to get a tax deduction is probably more important in the USA than in some other countries but it is an important motivation and you should mention this when you contact your donors.

Remember CAFAmerica is an easy, secure and private way for the U.S. public to support your charity so we encourage you to contact your donors to help them make the most of their giving this holiday season.

For more information on American giving patterns visit (http://www.aafrc.org/press_releases/trustreleases/americansgive.html) and (<http://www.independentsector.org/programs/research/GV01main.html>).

Washington Update

The Senate Finance Committee has recently invited the U.S. nonprofit sector to provide input to improve the governance and practice of charities. Both Independent Sector and the Council on Foundations, based in Washington D.C., are engaged in making recommendations over the next couple of months covering a broad range of issues outlined in the Senate white paper. These include: U.S. nonprofit governance, transparency, financial accountability and oversight, the legal framework for regulating charities and foundations, and specific recommendations concerning small organizations. For more information about these initiatives I recommend visiting www.independentsector.org and www.cof.org.

So what does all this discussion mean for charities outside the U.S.? Well the short answer is we don't know at present. For international grantmakers like CAFAmerica, it may mean changes in the way international grantmaking takes place and the sorts of foreign charities we can make grants to. New legislation may be presented as early as February 2005. We are watching the situation carefully and will keep you informed.

Currently, no laws have changed but foreign charities that have established "Friends of" 501c3 entities in the United States would be advised to become familiar with U.S. laws such as the Patriot Act. If in doubt, you should seek advice from your legal counsel as to whether recent U.S. laws impact your governance and practice.

News

Grants

CAFAmerica is pleased to report that we awarded \$9.57 million in grants during the 2003/04 fiscal year, up from \$9.3 million the year before. These grants went to 1,100 charities operating in 73 countries throughout the world. In the financial year 2004/05 we have made \$4.4 million in grants so far.

Online Access to Donor Advised Funds

From December, donors with CAF funds will be able to access their transactions and make grant suggestions to CAFAmerica online. They will also be able to ask CAFAmerica to research an overseas charity or issue that they have an interest in supporting. For eligible charities, this is yet another powerful reason to keep us fully informed about your activities and plans.

New Staff

Two new staff members have joined CAFAmerica in recent months. They are: Chani Robinson, Grants Officer; and Sam Dutill, Grants Associate. Please call them or Susan Saxon-Harrold at 703-549-8931 if you need advice or assistance with your eligibility status, site visits, or general information about donor advised international grantmaking and the advisory services to donors.

Registration with eBay

CAFAmerica recently registered with MissionFish, a service that enables U.S. sellers on eBay to donate a percentage of their sale to us. This means donors can support

CAFAmerica as it works to expand international grantmaking around the globe. We are working to expand this facility to allow U.S. donors to give to eligible charities with CAFAmerica.

Feedback

Constructive feedback on our e-Bulletin is always welcome. If you have any comments or suggestions, please [click here](mailto:susansh@cafamerica.org). (susansh@cafamerica.org)