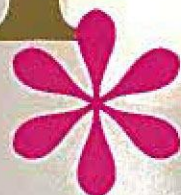


IN THE SPIRIT, *Give Back*, CELEBRATE IN STYLE

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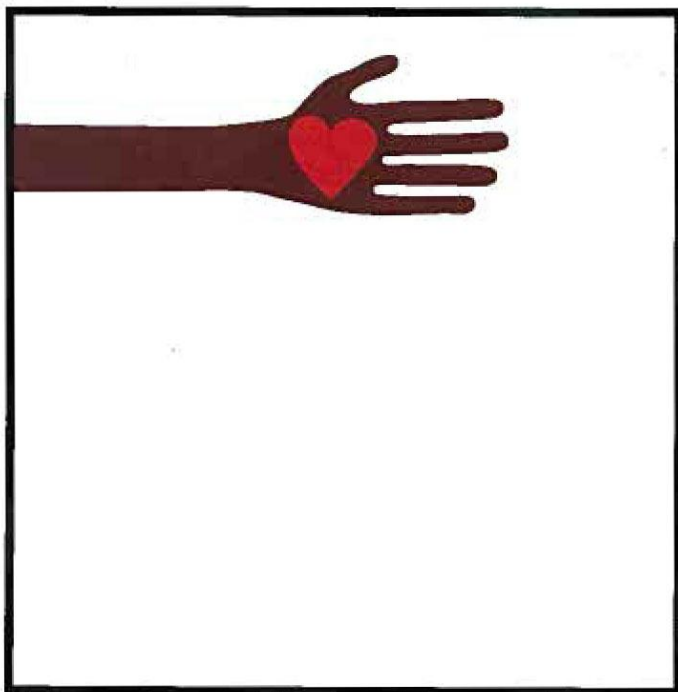


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NOVEMBER/DECEMBER 2009

# FOR THE CAUSE

Consider charitable giving as a personal as well as monetary investment, and your rewards will multiply.



**THERE'S SOMETHING ABOUT** the holidays that puts us in a charitable frame of mind, but with so many organizations that support the causes you are most passionate about, how do you decide which one is the best *investment*? Most of us don't consider philanthropy as an investment, but we should. Financially, we want to contribute intelligently to organizations where our donations will be most effective; personally, we want to feel connected to the cause.

"No one wants to waste a charitable gift on administrative expenses," says Joseph Spada, CFP, managing director of Summit Financial Resources in

Parsippany. He recommends consulting the Foundation Center, a national authority on organized philanthropy. Its site ([foundationcenter.org](http://foundationcenter.org)) includes a directory of "990" tax form filings that reveal exactly where your dollar goes. Another excellent resource to consult is the Council of New Jersey Grantmakers ([cnjg.org](http://cnjg.org)), which offers teleconferences on "savvy giving."

Here are five factors that can maximize your financial and personal return on a charitable investment:

**1. GET PERSONAL.** "You must give from the heart," says Jackie Welsh, director of the Visiting Nurse Association in

Somerville. "Our most fulfilled donors volunteer and use our services, as well as give money."

**2. PLAY THE MATCH GAME.**

To double your giving dollar, Shirley Gralla, co-founder of the Gralla Family Foundation in Bergen County, reveals that one of her favorite techniques is to ask for matching contributions. That is how her million-dollar donation for an Alzheimer's unit at Albert Einstein College of Medicine mushroomed into a whole floor.

**3. MAKE IT EFFECTIVE.**

"Give directly only if you can confidently monitor how your contribution is used," says Enid Borden, president and CEO of the Meals on Wheels Association of America. "With large contributions, or if you cannot follow the money, it may be better to give to an umbrella organization whose purpose is to monitor distribution."

**4. INSPIRE OTHERS.** "Use your talents and expertise to educate those in need and set an example for your children in charitable endeavors," urges philanthropist Susan Landmesser of Bernardsville. "Give back

through encouragement and support so those you help can develop their own sense of self-esteem and accomplishment."

**5. BEQUEATH THE "SMARTEST" DOLLAR.**

"If you plan on leaving money to charity when you die, the most efficient dollar to use would be your IRA, pension plan, or 401(k) because those plans could be subject to income and estate taxes as high as 75 percent," says Spada. The same plans, left to charity, would not be taxed at all. He cautions that not all retirement plans are equal when it comes to charitable giving. For example, as of 2010 you are no longer required to have an adjusted gross income of \$100,000 to do a Roth IRA conversion. This might tempt you to make the conversion next year so that the money can be withdrawn tax-free. However, Spada cautions, "If you're ultimately going to leave that IRA to charity, the charity will automatically get the proceeds tax-free anyway. So, why pay the unnecessary tax to make the conversion?" **NJL**

**Women's Causes to Consider**

Women helping other women is a powerful philanthropic trend. The Women's Funding Network ([womensfundingnetwork.org](http://womensfundingnetwork.org)), a consortium of 125 women-oriented funds, has launched "Women Moving Millions" ([womenmovingmillions.org](http://womenmovingmillions.org)), which promotes strategic investing in women-oriented causes. My Daughter's Keeper ([mydaughterskeeper.org](http://mydaughterskeeper.org)) is a Central Jersey-based educational and self-development organization that provides support and resources to mothers and their daughters.