

# are you ready to get MAD?

(making a difference)

Volunteering is one of those sweet situations in life where giving not only benefits the recipient but the giver as well.

Volunteering makes us feel good. It gives a greater sense of purpose to our lives and fulfills a natural human desire to help other people. There's a growing wealth of research showing that people who donate their time feel happier, healthier and more connected to their community.

Volunteers make a monumental contribution to Australia. Without their support many not-for-profit organisations simply could not provide important services.

The 2006 Australian Bureau of Statistics (ABS) survey on volunteering revealed Australians donate a whopping 713 million hours each year. That's a full week of work for every person in the country.

## money or time?

The not-for-profit sector needs both our money and our time. Not everyone is in a position to donate time, but the good news is that giving money also gives personal satisfaction, as well as much needed resources. A 2008<sup>1</sup> study conducted in the US found that people reported significantly greater happiness when they spent money on gifts for others or on charitable donations. This greater happiness wasn't linked to donating large amounts, giving small amounts had the same effect.

Whether you are donating money or time, do your research to make sure it's the right charity for you and that your time and money will be used well.

If you want to check if your chosen charity is registered visit [www.abn.business.gov.au](http://www.abn.business.gov.au). You'll need the charity name or Australian Business Number (ABN).

Source 1: "Spending Money on Others Promotes Happiness," HBS professor Michael I. Norton, Elizabeth W. Dunn, Lara B. Aknin, *Science Journal*, March 21, 2008 issue.

## giving money

You can donate money in many different ways:

- ~ On a regular, planned basis to a specific charity via direct debit from your credit card or nominated account or as a deduction from your salary if your employer offers this facility.
- ~ Ad hoc - for example, annual charity appeals (Red Nose Day, Movember, Pink Ribbon day) food hampers or presents at Christmas.
- ~ Leave a bequest to a charity in your will. If this appeals to you, talk to your financial adviser about how to include it in your estate planning.
- ~ Establish a charitable foundation. These are generally set up in a person's lifetime but can also be established in your will. If you have a large sum of money and are happy to take on the administration and compliance responsibilities, you can set up your own Prescribed Private Fund. Another alternative is to establish a giving program via a gift fund offered by an established charitable foundation. Your financial adviser can give you more details.

- ~ Donate shares or property. There is no limit on the value of the property that can be donated but shares must be valued at \$5,000 or less. Both shares and property must have been bought at least 12 months before they were donated. For rules and regulations, including capital gains tax implications, talk to your adviser or visit the Australian Taxation Office web site at [www.ato.gov.au](http://www.ato.gov.au). Before you make a donation of this kind get advice on the impact on your financial position and the best way to go about it.
- ~ Donate cultural and heritage gifts through the Cultural Gifts program. This program is administered by the Department of Environment, Water and Heritage and you'll find more information on the website at [www.environment.gov.au](http://www.environment.gov.au)

## giving time

Volunteer opportunities range from board director positions, marketing and PR managers, fund raisers, collecting bikes, books and toys to donate overseas, administrators, general office body, op shops salespersons, hospital visitor, teaching adults to read, help line counselors – in fact anything and

everything. For more information refer to our article on giving time which examines how to best match your skills to an organisation.

## looking close to home

If you don't want to commit to a formal arrangement, look for more fluid opportunities in your local community – helping out in a soup kitchen when you can, reading groups or working bees at your children's or grandchildren's school are all important activities.

For more information on making a difference visit [www.ipac.com.au/lifedirections](http://www.ipac.com.au/lifedirections) or ask your adviser for the Life Directions flyer on getting connected.

Volunteering is on the increase. An ABS survey recorded a 10% rise in volunteering from 24% in 2005 to 34% (ie 5.4 million people) in 2006. Young people (18 to 24) are one of the fastest growing groups and if we follow the US experience we'll also be seeing an increase in the number of families volunteering together.

