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FOR IMMEDIATE RELEASE

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Consumers urged to use caution when making charitable donations

MADISON – The holiday season is a time of the year when many Wisconsin consumers open their hearts and wallets by donating to charitable causes. Two state agencies are encouraging would-be donors to do their homework before making donations, especially to appeals that are unsolicited and made by phone or over the Internet.

“Resist high-pressure, emotional appeals,” said Sandy Chalmers, Division Administrator of Trade and Consumer Protection for the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP). “Criminals know that many people make year-end charitable contributions for tax purposes, and they will try to push you into making a quick decision to donate.”

George Althoff, Communications Director for the Department of Financial Institutions (DFI), encouraged consumers to do some homework on charities when considering whether to make a donation.

“Before giving to a charity, we encourage consumers to check out how much of the organization’s donations are used for programs and services,” Althoff said. “Well-run charities generally are ones that are spending a higher percentage of their funds raised on programs and services, as opposed to administrative and/or fund-raising costs.”

Financial information about charitable organizations’ level of spending on program activities can be found on the DFI website at www.wdfi.org/CharitableOrganizations, Althoff said.

DATCP and DFI offer up these tips for donors considering a donation to a charitable organization:

- Before donating, check to see if the charity is registered with DFI.
- Ask a solicitor to explain the purpose of the organization, what services are provided, how much of the donation goes to fund-raising expenses, whether the donation is tax-deductible, and whether you will be sent a receipt.
• Donate to charities that you trust and are well-established.
• Be wary of unsolicited requests for donations, especially ones received via the Internet.
• Never write out a check or give cash to an individual solicitor. Write out checks to the name of the organization or use a credit card.
• If contacted by phone, avoid being pressured to make an immediate donation. Don’t hesitate to ask the caller to send you information about the organization and its programs.

For more information or to file a complaint, consumers may contact:
• DATCP on the web at datcp.wi.gov; by phone (Consumer Information Hotline) at 800-422-7128; by e-mail at datcphotline@wisconsin.gov; or at www.facebook.com/wiconsumer.
• DFI on the web at www.wdfi.org/CharitableOrganizations; by phone at 800-452-3328; or by e-mail at DFISecretary@wisconsin.gov.

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