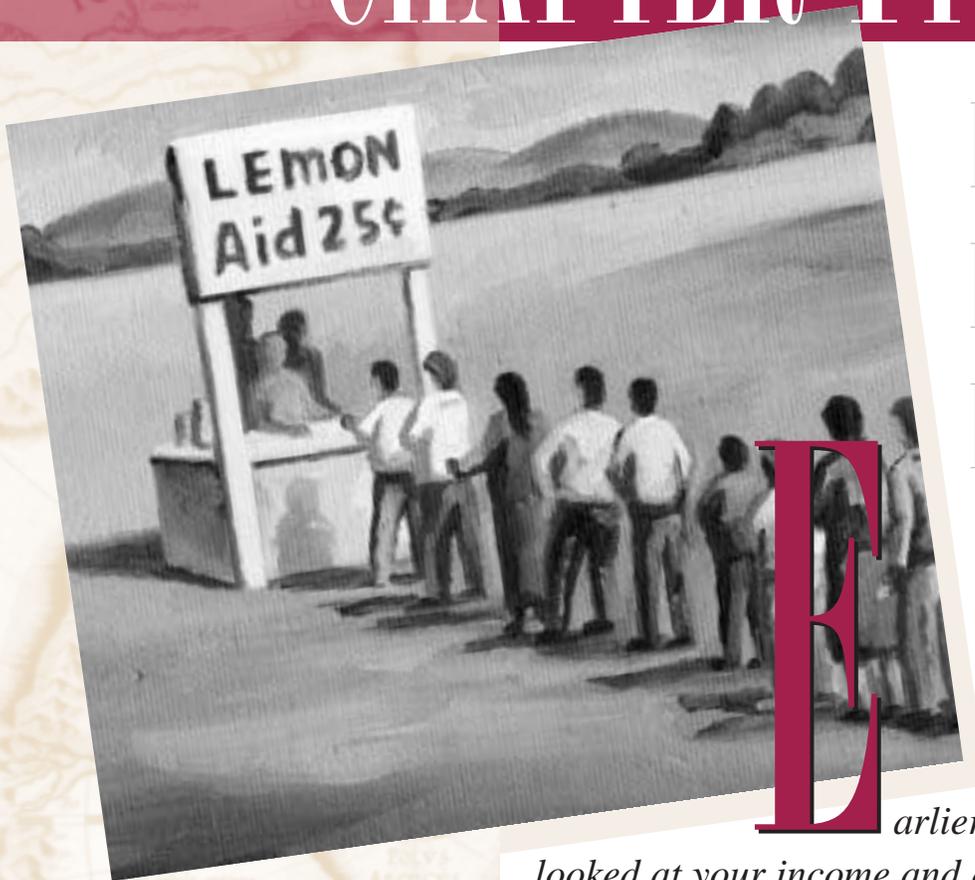


CHAPTER FIVE



Fund Raising Doing It the — Right Way

Earlier in this booklet, you looked at your income and expenses. You also compared these numbers with how much your transplant procedure might cost. The results might have scared you—transplants are expensive.

This handbook is meant to provide general financial information; it is not meant to substitute for, or to supersede, professional, legal, or medical advice.

The National Endowment for Financial Education® does not intend to provide any advice regarding treatments discussed in this material. Medical treatments and related health issues should be discussed with a qualified medical professional.

Note: The content areas in this material are believed to be current as of this printing, but, over time, legislative and regulatory changes, as well as new developments, may date this material. For the most current information, please contact the NMDP Office of Patient Advocacy at 1-888-999-6743.

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THE **MARROW** FOUNDATION®



One way to help pay for your procedure is to raise money. Before you start, however, be sure you have taken all the steps you can to have your treatment covered. If you have been denied treatment, be sure that you have followed the appeals process. After trying all the options available to you, fund raising may be your next step.

Finding fund-raising help

Once you have determined how much your procedure will cost and how much money you have to pay for it, you may discover that you don't have enough money to pay for the costs of your treatment. If you decide to raise funds, here are some things to consider.

First, don't try to do it all yourself. It's OK to ask for help, and you may find that many people are happy to help if you let them know about your need. Family or friends may offer assistance. People at your place of employment may offer to help as well. In fact, anyone who understands your health-care needs and the costs of your treatment may help in your fund-raising efforts.

You can form a committee or a group of volunteers to help with fund raising. A number of fund-raising organizations can provide information to help you in the process. The "Patient Resources" section starting on page 52 offers suggestions for locating fund-raising organizations. You also can find information about fund raising from your Transplant Center, hospitals, or public libraries.



Determining specific needs and amounts

The worksheets in this booklet helped you determine the cost of your treatment and how much will be covered by your health-care plan. You also made an estimate of how much additional money you need to afford your transplant procedure.

If you decide to raise funds on your own, use the following guidelines. You also can work with an existing nonprofit organization that has experience in fund raising for medical treatments. You can find information about these groups in the “Patient Resources” section starting on page 52.

- ✦ Remember that donated money should never be mixed with personal or family funds.
- ✦ Consider establishing a separate trust account in a bank with an administrator to oversee it.
- ✦ If you want contributions to be tax deductible for the donors, you will need to work with a tax-exempt organization.
- ✦ Follow the Internal Revenue Services (IRS) guidelines on the requirements for tax-exempt donations.
- ✦ Follow the IRS guidelines on how tax-exempt donated funds can be used.
- ✦ Work with a tax advisor to be sure that you are following the IRS guidelines.



Perry (transplant recipient)

Protect your other benefits

Before you begin to raise funds on your own, be sure you won't lose benefits from another program such as Medicaid or the Supplement Security Income (SSI) portion of Social Security. Check with representatives from other programs that are giving you money to be sure you won't lose the benefits you now have.

Tax laws

Be sure you know all the tax laws before you begin fund raising. As mentioned previously, you need to keep all donated funds in a separate bank account. Keep records for this bank account, including the donors' names and the amount donated by each donor. If you'd like donations to be tax deductible, you will have to



work with a tax-exempt organization, or a 501(c)(3). Fund-raising organizations can help you do this correctly.

You need to keep track of where you spend donated money. The IRS has specific guidelines on how tax-exempt donations can be used, so be sure you learn and follow these guidelines. If you are not sure if you can use donated money for a certain purchase, ask before you spend it. Write down what you bought with the donated money and when it was purchased. Keep receipts for all expenditures using donated money. These receipts include hospital and doctor bills as well as those for medical equipment.

Fund-raising organizations can help you find answers to the questions you have about using tax-exempt donated funds.

What you need to know about fund-raising and charitable organizations

If you decide to work with a fund-raising or charitable organization, learn about that organization. Several national charitable organizations help with fund raising for transplant procedures. Because these organizations have experience raising money for transplants, they may have more resources available than you do to help in your fund-raising process. Answer the questions in the next section to help ensure that the group is reputable and uses an ethical approach to fund raising.

Evaluating eligibility and legitimacy

Before you begin working with a fund-raising organization, be sure it is legitimate. If it is raising money for you, be sure it has tax-exempt status so the donations are tax deductible. You can use the following questions to evaluate the tax-exempt eligibility and the legitimacy of a fund-raising organization:

1. Is the organization willing to make public its budget and a complete annual report?
2. Is the organization willing to make public an audit by an independent accountant?
3. Are the fund-raising and administrative costs reasonable? Are fees disclosed?
4. Is a list of the organization's management team made public?
5. Does the group ensure that none of the information it distributes is misleading, deceptive, or inaccurate?
6. If the group claims tax-exempt status, is it willing to produce its 501(c)(3) credentials?

Getting the answers to these questions might not tell you everything about the group, but this information will help you learn about the ethics and procedures of the organization.