



UNITED STATES

The SPARK! grant will be given to non-profit 501(c)(3) charitable organizations such as the following:

Cultural Organizations

Eligible cultural organizations include performing arts organizations (dance, music, and theater), museums, historical societies, arts funds or councils, cultural centers, libraries, parks, zoos, botanical gardens and conservancies.

Economic Development

Organizations and agencies that develop and support economic growth, within a specified geographic area, by providing necessary resources and assistance.

Educational Institutions

Any school (at any level) recognized by its local government and accredited by appropriate national or regional accrediting association. Non-profit state universities are excluded.

Environment

Organizations dedicated to preserving the earth's natural resources, committed to promoting conservation issues and/or providing education about environmental issues.

Health and Human Service

Charities whose primary concern is around health and health-related causes. This also includes charities committed to alleviating homelessness and poverty. Non-profit health care systems and non-profit hospitals are excluded.

Other Considerations

Also approved for SPARK! are organizations that are recognized as tax-deductible under Section 170(c) of the Internal Revenue Code. All U.S. charities must also be vetted in accordance with the U.S. Patriot Act. Organizations in other countries will need to meet requirements for their respective country's governance. In England and Wales, the organization must be a charity registered by the Charity Commission.

Some Specific Examples Include:

- Old-age homes
- Parent-teacher associations
- Charitable hospitals
- Alumni associations
- Schools
- Youth organizations
- Chapters of the United Way or Red Cross
- Salvation Army, Boys' or Girl's clubs
- Churches (The IRS enforces certain criteria when determining if an organization is classified as a church)
- Additional charity categories may be eligible based on local practices

We Are unable to Approve Requests for Individuals or Projects that:

- Pose a potential conflict of interest for DDI
- Are not aligned with DDI corporate values
- May involve DDI in controversial issues
- Pose safety or security risks for employees (e.g. clean-up work at disaster site, construction or remodeling work not under the supervision of a trained professional); or any type of volunteer activity not under the supervision of an eligible charity or school
- Are related to fundraising, such as walking or running in a fundraising race
- Consist of fundraisers for individuals rather than registered charities
- Benefit charities with the sole purpose of providing support to a named individual or a named family
- Influence legislation or involve electing candidates to public office
- Involve volunteer activities of programs offered by clubs, membership associations or fraternities/sororities
- Are non-profit state universities, hospital or health care systems

What is a 501(c) (3) Charitable Organization?

In order for the IRS to recognize an organization as being qualified for 501(c)(3) status, exempt from federal income tax, it must satisfy the IRS's general definition of being organized for charitable purposes. A 501(c)(3) nonprofit is normally exempt from federal income tax if it has these purposes: charitable, religious, educational, scientific, literary, testing for public safety, fosters amateur sports competition, prevents cruelty to children or animals.

Types of 501(c)(3) Organizations

501(c)(3) organizations fall into one of three primary categories: public charities, private foundations, and private operating foundations.

A public charity is generally defined by the IRS as “not a private foundation”. It receives a substantial portion of its revenue from the general public or from government. In order to remain a public charity (and not a private foundation), a 501(c)(3) must obtain at least 1/3 of its donated revenue from a fairly broad base of public support. Public support can be from individuals, companies and/or other public charities. Donations to public charities can be tax deductible to the individual donor up to 50% of the donor's income. Corporate limits are generally 10%. In addition, public charities must maintain a governing body that is mostly made up of unrelated individuals. Public charities are what most people recognize as those organizations with active programs. Examples include churches, benevolence organizations, animal welfare agencies, educational organizations, etc.

A private foundation is often referred to as a non-operating foundation, as in it typically does not have active programs. Revenue may come from a relatively small number of donors, even single donors. Private foundations are usually thought of as nonprofits which support the work of public charities through grants, though that is not always the case. Donations to private foundations can be tax deductible to the individual donor up to 30% of the donor's income. Governance of a private foundation can be much more closely held than in a public charity. A family foundation is an example of a private foundation.

Private operating foundations are the least common. These organizations often maintain active programs similar to public charities, but may have attributes (such as close governance) similar to a foundation. As such, private operating foundations are often considered hybrids. Most of the earnings must go to the conduct of programs. Donation deductibility is similar to a public charity.