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A PARTNERSHIP OF PROFESSIONAL LAW CORPORATIONS

NEWSLETTER

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REMINDER

If you turned age 70½ in 2007, you must take your first required minimum distribution from your IRA prior to April 1, 2008. A failure to take this distribution could result in a 50% penalty imposed by the IRS. Contact Bradford N. Dewan of our office with any questions.

successful non-profit. A donor must use multiple resources to assess the suitability of the gift and the charity's ability to implement it effectively.

The Internal Revenue Service (IRS) website has helpful information about non-profits. You can visit www.irs.gov and search Publication 78 for a list of charities that qualify for tax deductible donations. You may also request a Form 990 that provides financial information about charities with annual revenue over \$25,000.

Many times the financial information on Form 990 can be misinterpreted or taken out of context. In order to know whether the expenses are reasonable, one suggestion is to compare it to other charities of the same size and purpose.

A review of a charity's financials is one factor for assessing a charity's effectiveness. The spending ratio measures how much money is spent on the actual charitable programs. However, do not assume that 100% of every charitable dollar going to the program means it is "better" charity. In order to be successful, a non-profit must spend funds for operation. Comparing charities similar in both size and purpose can help you determine what expenses are reasonable.

RESEARCHING NON-PROFITS FOR CHARITABLE GIVING

MICHELE R. SHIPP, ESQ.



If a donor wants to share some of his or her hard-earned money with a charity, but wants the money to be spent for its intended purpose, how does a donor research charities before making a donation? This article outlines tools available for researching non-profit organizations.

Many watchdog groups provide reviews and information about charities. However, there is no uniform standard for measuring a

An expense that may appear excessive on a financial report may be a one time expense. Look at the last few years of expenses to get a sense of the charity's average costs. Also, talk directly with the charity if you have questions about their spending. They can explain the budgeting goals for a particular campaign and provide a context for expenditures.

Another type of expense is staff salary. Those in the charitable giving arena work long hours in support of their organization's mission. However, some charities are operated by families who comprise the Officers, Directors, Trustees and Key Employees. Review Form 990 to see if there is a diversified staff and to determine the gap in salary between positions.

Several websites provide information about non-profits. Some have a charge associated with the subscription. Different websites use different criteria for assessing a charity's effectiveness. Do not conclude that one website has all the information necessary to evaluate the non-profit. Here are three online watch dog groups you may consider: Give.org, CharityNavigator.org, and GuideStar.org.

Doing this research can give you peace of mind when making a charitable donation.

SHARING PHOTOS: A FAMILY LEGACY (Part I)

MARY J. PESHEL, ESQ.



When a death occurs, one of the largest sources of disagreement and discord among family members is often the deceased person's personal items - not the bank accounts or the real estate. In particular, the ownership of *family photographs*, of holidays, birthdays, vacations, and other events, can be a source of great contention. But new technologies that have become common and simple to use in recent years make it easy to copy photos and videos easily and inexpensively. Therefore, these items should no longer be a source of

family discord. Instead, copies of photos and videos can be a gift you give to your family members during your lifetime. Below are some technologies you can consider.

Photographs Several methods can be used to copy or archive photos. The first priority should be to insure that photos are well-protected against corruption, data loss, or accidental deletion. If you already store the photos digitally on your computer, the photos can be copied to CD or DVD for distribution to your family members, or they can be sent to an on-line photo processor for printing. In any event, if your photos are stored on your computer, we suggest that you move or archive these files off your computer to a CD, DVD, or portable hard-drive to safe-guard your photos (as well as to free up much needed hard drive space).

What about the photographs taken prior to the "digital age"? Most of us have old photos stuffed into boxes or held in photo albums. Many of these photos may be heirlooms that have been passed down to you by your parents or other family members. Your photos, especially those developed prior to the 1980s, can be damaged by something as seemingly harmless as the humidity in the air. So, how do you copy these photos to share with your children and/or grandchildren? New technology makes this task much easier. Several options are available to convert your images, photos, slides, or negatives, into digital files (from which hard copies can be made, if desired).

If you are computer-savvy, flatbed scanners can be used to scan photos. For slides or negatives, you will need a scanner specifically built for that purpose. Some scanners also have optional slide and negative adapters that you can add on. However, if you have a large number of photos, individually scanning each photo can be very time consuming. Do not despair, this need has not gone unnoticed by business entrepreneurs. Many businesses specialize in digitally copying photos and will provide you with a CD or DVD with the images.

Once you have converted your photos to digital format, consider storing them on a DVD or CD. They are cheaper and easier to mail than

printed photos, and less likely to get damaged. The lifespan of a disc ranges from 10 to 100 years, depending on storage conditions and media quality. If properly cared for, CDs and DVDs can last from 30 to 100 years. If improperly stored, however, they can be scratched and, therefore, corrupted. It is also important to use a high-quality CD or DVD media from manufacturers you recognize. Lower-quality media may deteriorate over time, making it difficult, if not impossible to read. Keep the following in mind when choosing a CD or DVD for archiving:

- Choose media that's compatible with your disc burner (check your product's technical specifications).
- Select a disc that meets your needs. A CD holds about 700MB, and a DVD can hold 4.7GB (or 15,000 high-quality pictures).
- Label your media. If you have a LightScribe drive, burn your photos to a LightScribe enabled CD or DVD, then flip it and burn a custom laser-etched label on top. If you do not have a LightScribe drive, CD/DVD labels can be obtained from most office supply stores. Many are highly durable, but there are some that resist water and fading better than traditional paper labels.
- To insure no errors were encountered during the process of the transfer of the photos to CD or DVD, you should enable the "verify" feature of the recording software.

Transferring Digital Images to CD or DVD.

Transferring digital images to CDs or DVDs (also known as "burning discs") takes longer than simply transferring data to a hard drive, but it is advisable to have extra copies of your files for safekeeping. DVD technology has many advantages over other portable, shareable digital storage options. A DVD holds approximately seven times the capacity of a CD. Some PCs

offer double-layer recording technology which allows you to use double-layer DVDs to record almost twice as much data as you can on single-layer DVDs. Compare CDs and DVDs to see what is right for you.

Flexible DVD media. If your PC has a DVD writer, you can record photos to DVD+R ("recordable") discs, which record data only once, or record them to DVD+RW ("rewritable") discs, which you can write or record over approximately 1,000 times. DVD+R discs are less expensive, but you may want to spend a little more on DVD+RW discs for the added flexibility. DVD writers are not only fast, but also versatile. You can literally burn thousands of photos to a DVD in minutes, and tens of thousands to a double-layer DVD. DVD+R with photos on them can be played on most DVD players, including computer DVD drives and TV DVD video players.

Whether you choose a CD or a DVD, once your photos are saved to the disc, they can be copied in a relatively short time (minutes) and these can be shared with your friends and family members. Don't forget to make extra copies for yourself! Keep one copy close at hand and lock another away somewhere safe (like a safe deposit box) in case of breakage, data corruption, theft, or fire. You may also want to print proof, or contact sheets, of images stored on each DVD or CD and keep them with the discs. Also, while the CD or DVD may last a long time, the "reader" technology will change. It would be a good idea to check the readability of the CD or DVD every few years. In the future, it may be necessary to copy the data to a newer type of media.

Transferring Digital Images to External Hard Drives. External drives, also known as "flash drives" or "thumb drives" are compact, portable devices that connect to your computer. They can be taken anywhere and connected to other computers for quick access to your images. Also, depending on the drive capacity, they can store many more photos than a CD or DVD. Flash drives offer up to 4GB of storage and plug directly into a USB port on your PC. Because they are thin and narrow, they do not compete for space with other devices (such as a

printer). Personal media drives are ideal for large files, if not your entire digital photo collection (up to 400 GB of storage). Some external hard drives connect to your computer with a USB cable, or can be inserted into the personal media drive bay included on some desktop PCs. To transfer photos to an external hard drive, just connect the drive to your PC and drag and drop files to it (the duration of this process may vary slightly from drive to drive). Usually, it takes only seconds.

CDs, DVDs, and external hard drives are all rewriteable media. To prevent your photos from being overwritten accidentally during the process of transferring data, be sure that the recording software marks the files as "READ ONLY".

Store photos online. Companies now offer you the ability to store your photos on their website. Online photo albums can be used to store and share your photos on the internet. Some companies, such as Kodak and Snapfish, permit you to share individual pictures or entire albums with friends and family, and even allow them to order prints of their favorite photos.

The next part of this article will appear in our next issue.

If you would like to receive further information regarding the topics in this newsletter, or if you would like to let us know any issues or topics you would like to see addressed in future newsletters, please contact us at (619) 239-7777 or newsletter@mmpph.com.

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