

Is George Soros a Smarter Giver Than You?

A Limited Time Offer to Multiply Major Gifts

GEORGE SOROS'S \$35 MILLION DONATION

Founder of the Open Society Institute, George Soros, recently made headlines with a \$35 million donation to poor families in New York State. The gift covers back-to-school expenses for poor families struggling in hard economic times. Families that qualified received deposits of \$200 per child into their state public assistance EBT accounts this month.

George Soros's \$35 million gift released an additional \$140 million from the federal government. Provisions under the economic stimulus package create a 4:1 U. S. government matching program for select gifts. So in total George Soros has directed \$175 million to help over 850,000 children in poverty prepare for the 2009-2010 school year. When asked about his motivation, Soros simply recalls how he once received government aid to go to school as a child. "When I was a student after World War II, I had no money. I received financial help, and I remember how important that was to my education. Since then I have been very fortunate and am happy to have the opportunity today to help others."

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HOW TO QUINTUPLE A DONATION BEFORE SEPTEMBER 30, 2010

The U.S. Department of Health and Human Services (HHS) has been tasked with the management of a \$5 billion Emergency Fund to expand the Temporary Assistance for Needy Families (TANF) grants. Each state can an additional 50% of their federal block grant for state-run TANF programs. Texas could receive \$243 million in addition to their annual TANF grant of \$486 million and Colorado is eligible for another \$68 million.

Two factors limit the distribution of these American Recovery and Reinvestment Act (ARRA) funds. First, the additional grants have to be approved by September 30, 2010. Second, the release of federal funds is contingent upon the state exceeding its TANF program expenses in one quarter of 2009 or 2010 compared to the same quarter in either 2007 or 2008. The limiting factors are designed to motivate states to provide additional help during the most critical time in the economic recession.

According to the Center on Budget and Policy Priorities, "Many states report that the fact that the TANF emergency funds cover 80 percent — not 100 percent — of increased expenditures in these categories is a barrier to utilizing the funding." States are struggling to balance budgets and cannot authorize additional funds needed to trigger the 4:1 match. However, the law stipulates that states are not the only parties able to fund the remaining 20 percent. Federal, state, local, or third party money (or a combination of the four) can release the 4:1 federal match.

George Soros wisely took advantage of this opportunity in the program. He arranged a deal with New York State where he would pay the 20% in additional costs (\$35 million) so that the 80% match (\$140 million) from the federal government could be released. In a time when states are struggling to balance budgets in the economic recession, **strategic third party private donors can quintuple their giving to local poor families.**

IDEAS FOR THE LARGEST ONE-TIME GIFT OF YOUR LIFE

TANF funds are designed to strengthen needy families so that children can live in a two-parent home with married parents who have stable income and live without long-term government assistance. Therefore approved services for TANF grants include:

- jobs skills training or re-training activities
- employment services
- mentoring and tutoring services
- housing provision or cost reduction
- transportation services
- inexpensive food provision
- low-income education grants
- marital and parental counseling
- teen pregnancy prevention services
- financial counseling services and seminars

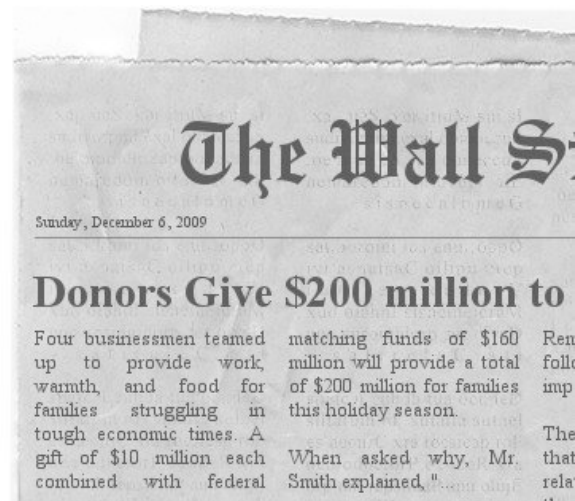
You have many choices on how to use your gift. You could partner with your state to fund emergency providers such as homeless shelters or food banks to provide one-time help to families with severe needs. You could partner with your county government to provide a \$500 bonus to any family that finds employment in the next year and stops depending on TANF funds. As of August 2009, LA County began providing a \$500 one-time work allowance for families that leave TANF with employment. The one-time work allowance motivates families to use all presently available job training and placement opportunities to get back to work.

HEAT AND EAT FOR CHRISTMAS 2009

Imagine a headline that reads “Private Donors Give \$200 Million to Help Poor Families.” One, two, three, or more donors could pool their resources and partner with the state government to turn their \$40 million gift into a \$200 million package for the poor around Christmas 2009. Imagine the statement that would be made. The \$200 million package could include: \$50 million for utility vouchers during the coldest winter months, \$50 million funding a subsidized employment program that provided four months of job experience for the unemployed, and \$100 million in additional food for the poor during the holiday season!

In almost every article written around the world about the \$175 million *Back to School New York* program George Soros has been given the opportunity to explain why he gave so much money to help New York’s families. The opportunity would be the same for the next major donation multiplied by ARRA contingency funds. Newspapers from London to Beijing and New York to Dubai could be printing your words. At a time when successful business leaders are being questioned for their role in the economic downturn, why not do what only Americans can do in a free market economy. Use your wealth to create a public-private partnership that helps those families that need it most and reminds the nation of your charitable spirit.

This window of opportunity will only last for another year. Don’t let George Soros be the only smart giver who takes advantage of this unusual opportunity.



For more information about how to set-up the largest gift of your life, contact ppenley@excellenceingiving.com.