

## CHARITABLE GIVING; IT MAKES A DIFFERENCE Oregon Attorney General's Charity Profile, 2001

Unprecedented developments have occurred in charitable activities over the past year. In the wake of the tragic events of September 11<sup>th</sup>, nearly \$1 billion was contributed toward relief efforts. Meanwhile a study commissioned by the Better Business Bureau's Wise Giving Alliance revealed that the public wants higher standards of accountability for charities and easier access to financial information. And in Congress, interest in charity oversight issues increased significantly.

In response to September 11<sup>th</sup>, many Americans accessed information about charitable organizations via the Internet and donated on-line for the first time. The volume of local contributions, combined with a weakening economy, has Oregon charities concerned about their financial position. While many charitable dollars have been committed to East Coast relief efforts, increased unemployment in Oregon translates to reduced contributions and a greater demand for the social services that many charities provide.

Although more Americans are finding information about charities on-line, 70% of the respondents to the BBB survey reported difficulty in determining how charities spend their money. The survey also reflected that the public wants charities to observe strict standards when spending donated funds with three-quarters of those surveyed expecting 70% or more of all funds collected to be dedicated to program services.

In Congress, a GAO audit was instigated to study the effectiveness of IRS regulation of exempt organizations. A bill proposed in the Senate would direct the FTC to prosecute telemarketers seeking charitable gifts fraudulently. Congressional hearings regarding September 11<sup>th</sup> relief funds echoed donor expectations reported in the BBB survey.

Recognizing that many charities do not meet these expectations, the Oregon Department of Justice Charitable Activities Section is profiling twenty-five organizations to illustrate the diverse spending patterns of charities and to encourage Oregonians to make proactive and well-informed charitable giving decisions.

For the first twenty organizations profiled, inclusion in this report was determined by citizen inquiries received by the Attorney General's office and should not be construed as critical of any particular charity. The report groups organizations into the following four categories according to beneficiaries: Children, Health, Veterans and Miscellaneous.

Four additional organizations generated similar numbers of inquiries, but could not be included due to a lack of available information. The Veterans Fund, Inc., of Port Treverton, PA, is too new to have filed a financial report with the Department. The Oregon Narcotics Enforcement Association, Oregon Peace Officers Association and Portland Firefighters Association are all organized for the benefit of their members rather than for public benefit. As such, they are not required to submit financial reports to this office, and contributions to them are not tax deductible. However, it should be noted that each of these organizations is party to a contract with a professional fundraiser, which specifies that 75%, or more of all funds collected are retained by the fundraiser.

In addition to the twenty charities selected due to inquiry frequency, another five were included for comparison purposes. These five are well-known local organizations that meet standards recommended by charity watchdog groups.

The information included in this report was gleaned from tax returns, which charities operating in Oregon are required to file with the Department of Justice each year. Expenditures made over the course of the reporting period were selected as the figures that best represent organizational efficiency. In addition to **total expenses**, the report includes expenditures on **fund raising, management and total programs** and the percentage of total expenditures each category represents.

An expense category entitled **program less joint cost allocation**, excludes costs for fund raising programs with an educational component that were reported as program expenses. In the case of one profiled charity, this reduced **program expenses** from 75.6% of **total expenses** to 16.5%. None of the five organizations included for comparison allocated joint costs.

Also included is information regarding **grants** made by each organization. This figure should be considered in relation to organizational mission to determine funds actually reaching intended beneficiaries. It should be noted, however, that many organizations do not award grants. With some **operating** charities, such as museums or theaters, none of the program dollars are directed to others, so the value of their grants is of little consequence. However, where the mission of the organization is to raise money to aid individual beneficiaries, as with charities assisting veterans or granting children's wishes, the percentage of funds used to make those grants can be very important. With some aid organizations, total program expenditures are reported at over 60%, but actual aid (grants) to individual beneficiaries is less than 6% of expenditures.

A quick perusal of the data will reveal the tremendous expenditure variance among organizations. **Fund raising** expenses, for example, vary from a high of 88.9% of total expenses to a low of 1.9%. **Total program** expenses, were correspondingly reported from a high of 94.6% to a low of 6.1%. As the BBB survey illustrated, most donors prefer to give to organizations with high expenditures in program areas and lower costs associated with fundraising and management.

As Oregonians consider charitable donations, particularly at this time of year, it is hoped that this report will encourage the exercise of informed judgment. In order to save on fundraising expenses, a proactive approach to giving is recommended. After identifying potential recipients, donors should determine how much of their donation will be spent on program services. This information is readily available through tax returns, which charities are required to provide and which can be accessed on-line at [www.guidestar.org](http://www.guidestar.org). The Charitable Activities Section also maintains a searchable charities database at [www.doj.state.or.us](http://www.doj.state.or.us) and welcomes telephone inquiries at (503) 229-5725.

In the face of growing need and dwindling resources, the Department of Justice encourages Oregonians to give generously and wisely.

# CHARITABLE GIVING; IT MAKES A DIFFERENCE

## Oregon Attorney General's Charity Profile, 2001

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**CHARITABLE ORGANIZATIONS  
BENEFITING CHILDREN**

# Children's Wish Foundation International, Inc. Atlanta, Georgia

Mission: To fulfill the last wishes of terminally ill children.

Principal  
Mode of Contact: Direct Mail

Reporting Period: 7/98 – 6/99

Total Expenses: 24,722,739

Fund Raising: 8,473,870 (34.3% of total)

Management: 274,586 (1.1% of total)

Total Program: 15,974,283 (64.6% of total)

Program Less Joint  
Cost Allocation: 6,742,542 (27.3% of total)

Grants: 2,613,347 (10.6% of total)



**Christian Children’s Fund, Inc.  
Richmond, Virginia**

**Mission:** To provide for the healthy growth, development and education of children.

**Principal Mode of Contact:** Telefunding

**Reporting Period:** 7/00 –6/01

**Total Expenses:** 132,222,602

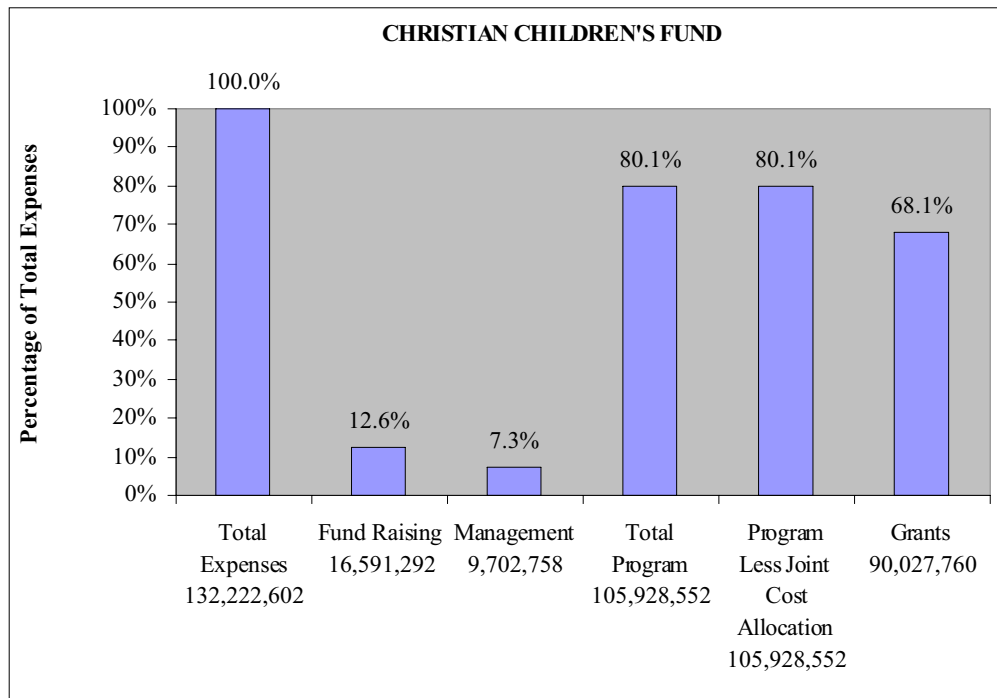
**Fund Raising:** 16,591,292 (12.6% of total)

**Management:** 9,702,758 (7.3% of total)

**Total Program:** 105,928,552 (80.1% of total)

**Program Less Joint Cost Allocation:** 105,928,552 (80.1% of total)

**Grants:** 90,027,760 (68.1% of total)



## Committee for Missing Children, Inc. Lawrenceville, Georgia

Mission: Distribution of photos of missing children, education and case management, and parent advocacy.

Principal  
Mode of Contact: Telefunding

Reporting Period: 9/99 – 8/00

Total Expenses: 2,121,249

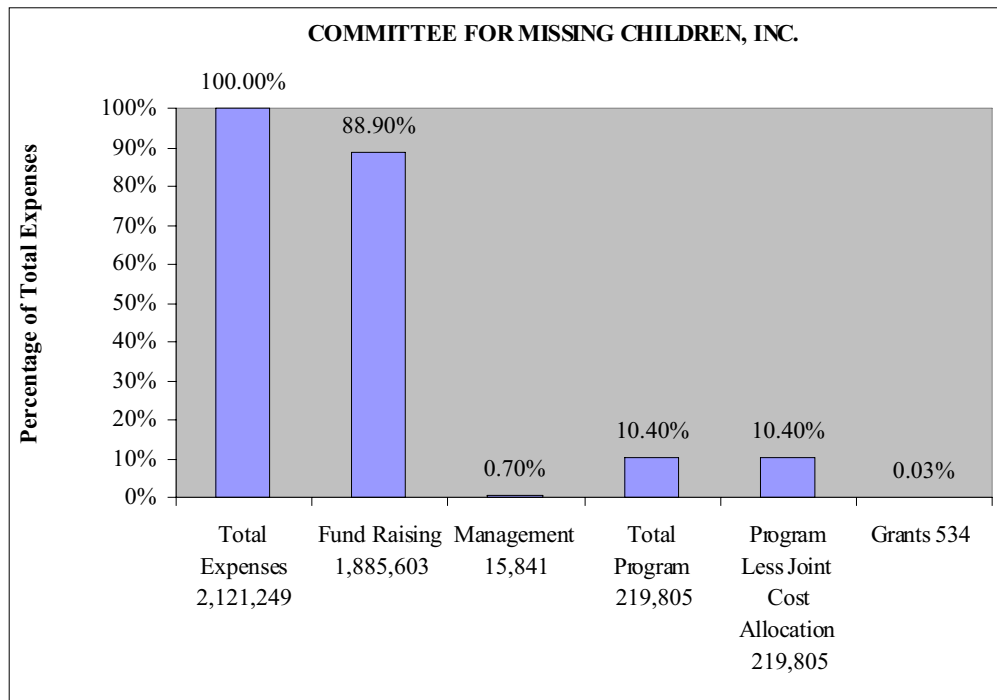
Fund Raising: 1,885,603 (88.9% of total)

Management: 15,841 (0.7% of total)

Total Program: 219,805 (10.4% of total)

Program Less Joint  
Cost Allocation: 219,805 (10.4% of total)

Grants: 534 (0.03% of total)



**Feed the Children, Inc.  
Oklahoma City, Oklahoma**

**Mission:** To provide food, clothing and other assistance to needy children worldwide.

**Principal Mode of Contact:** Direct Mail

**Reporting Period:** 10/99 – 9/00

**Total Expenses:** 360,002,085

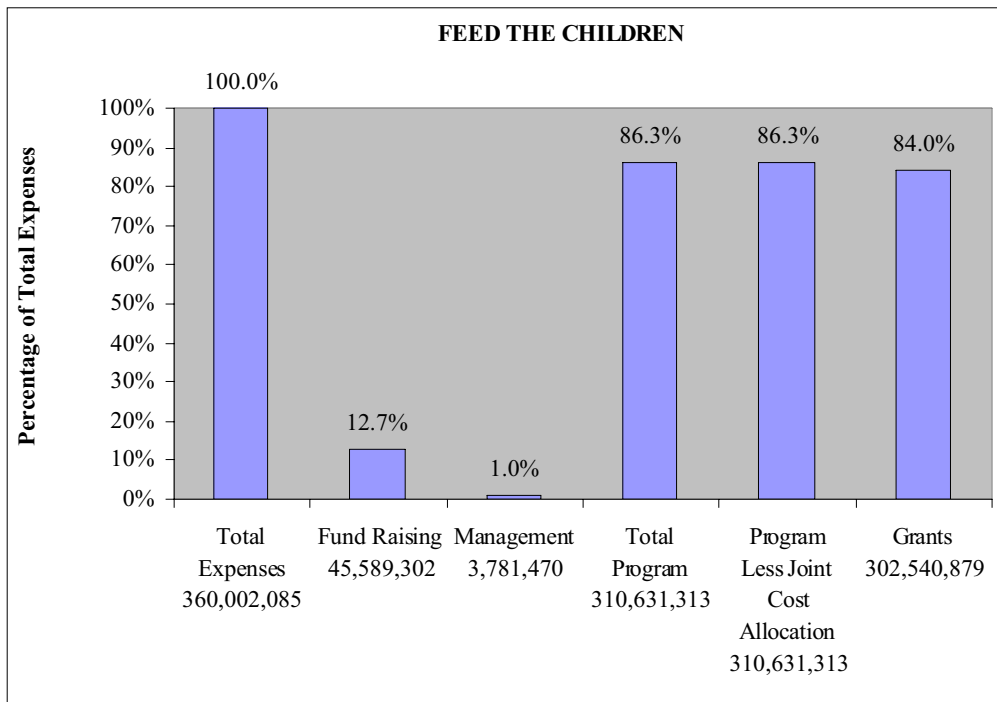
**Fund Raising:** 45,589,302 (12.7% of total)

**Management:** 3,781,470 (1.0% of total)

**Total Program:** 310,631,313 (86.3% of total)

**Program Less Joint Cost Allocation:** 310,631,313 (86.3% of total)

**Grants:** 302,540,879 (84.0% of total)



# Find the Children Santa Monica, California

Mission: To aid in finding missing children.

Principal  
Mode of Contact: Telefunding

Reporting Period: 9/99 – 8/00

Total Expenses: 946,802

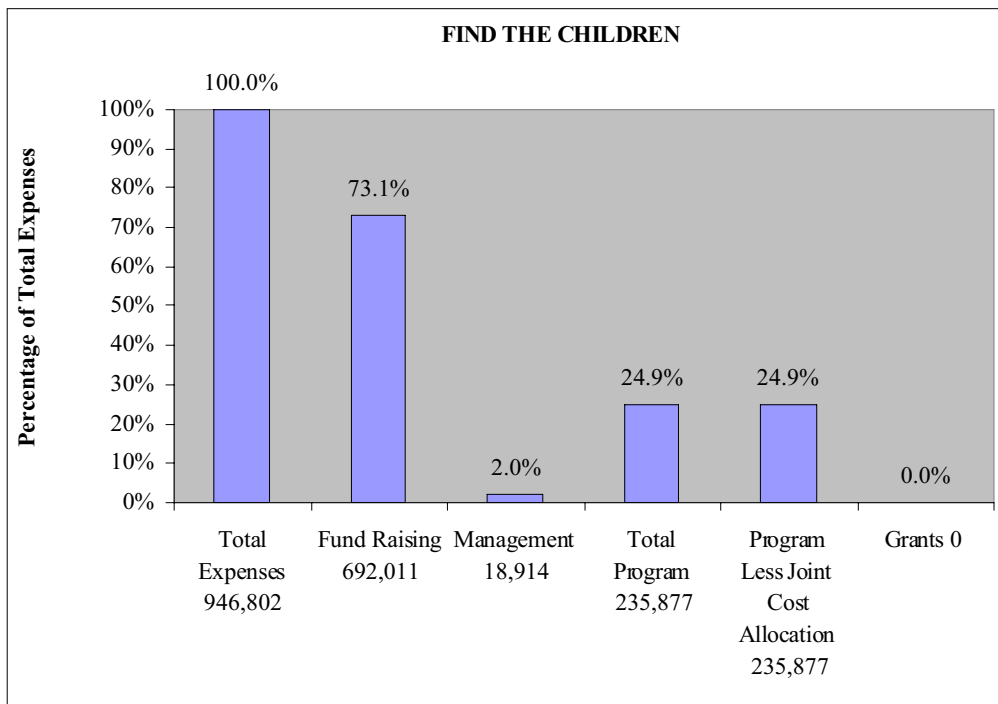
Fund Raising: 692,011 (73.1% of total)

Management: 18,914 (2.0% of total)

Total Program: 235,877 (24.9% of total)

Program Less Joint  
Cost Allocation: 235,877 (24.9% of total)

Grants: 0 (0.0% of total)



**Kids Wish Network, Inc.  
Oldsmar, Florida**

**Mission:** To fulfill the wishes of children suffering from life-threatening illnesses.

**Principal Mode of Contact:** Direct Mail

**Reporting Period:** 6/99 – 5/00

**Total Expenses:** 4,800,887

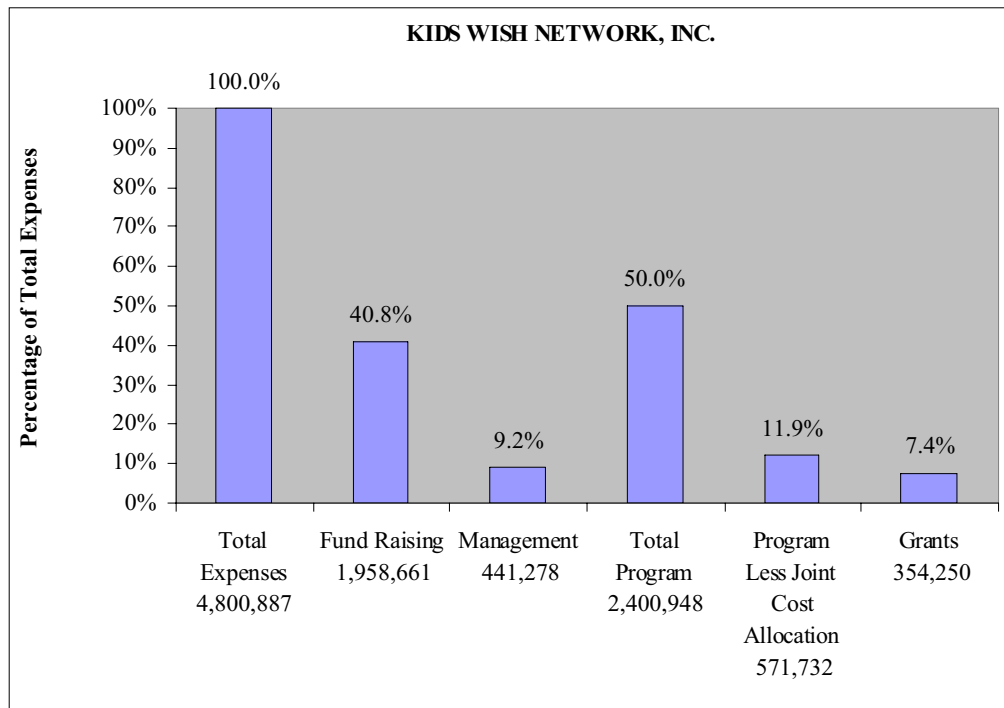
**Fund Raising:** 1,958,661 (40.8% of total)

**Management:** 441,278 (9.2% of total)

**Total Program:** 2,400,948 (50.0% of total)

**Program Less Joint Cost Allocation:** 571,732 (11.9% of total)

**Grants:** 354,250 (7.4% of total)



# Miracle Flights for Kids Green Valley, Nevada

Mission: To provide free air transportation to hospitals and blood banks.

Principal  
Mode of Contact: Telefunding

Reporting Period: 5/00 – 4/01

Total Expenses: 3,934,765

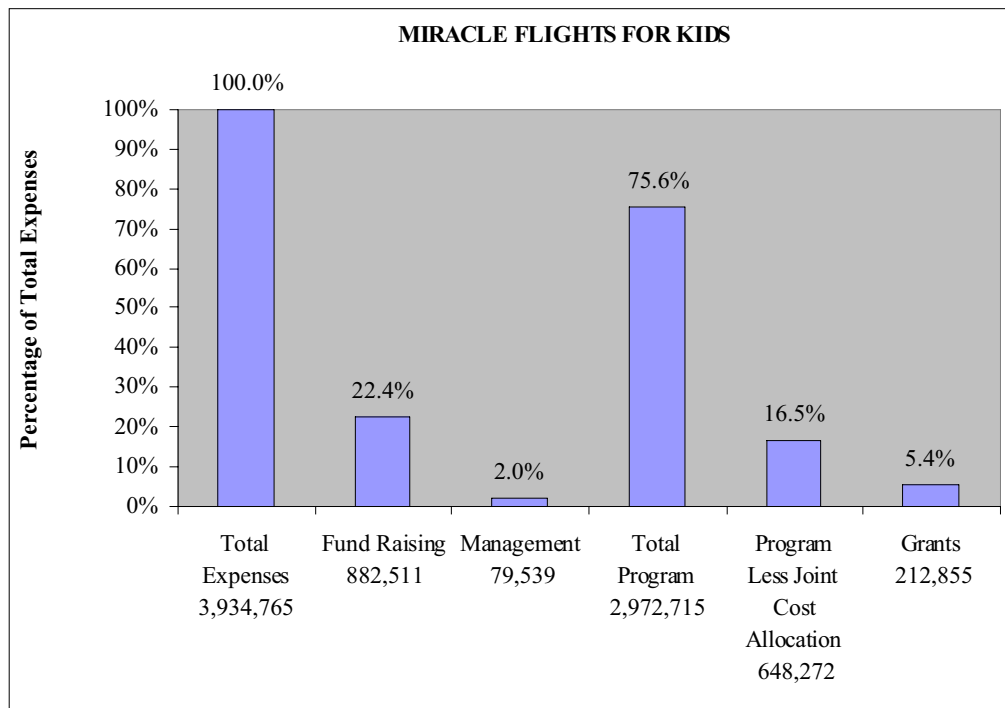
Fund Raising: 882,511 (22.4% of total)

Management: 79,539 (2.0% of total)

Total Program: 2,972,715 (75.6% of total)

Program Less Joint  
Cost Allocation: 648,272 (16.5% of total)

Grants: 212,855 (5.4% of total)



**Reach Our Children, Inc.  
St. Louis, Missouri**

**Mission:** To provide motivation and encouragement to underprivileged students to obtain a better life and greater opportunity through motivational presentations, education and sports activities.

**Principal  
Mode of Contact:** Direct Mail

**Reporting Period:** 1/00 – 12/00

**Total Expenses:** 3,130,903

**Fund Raising:** 1,395,884 (44.6% of total)

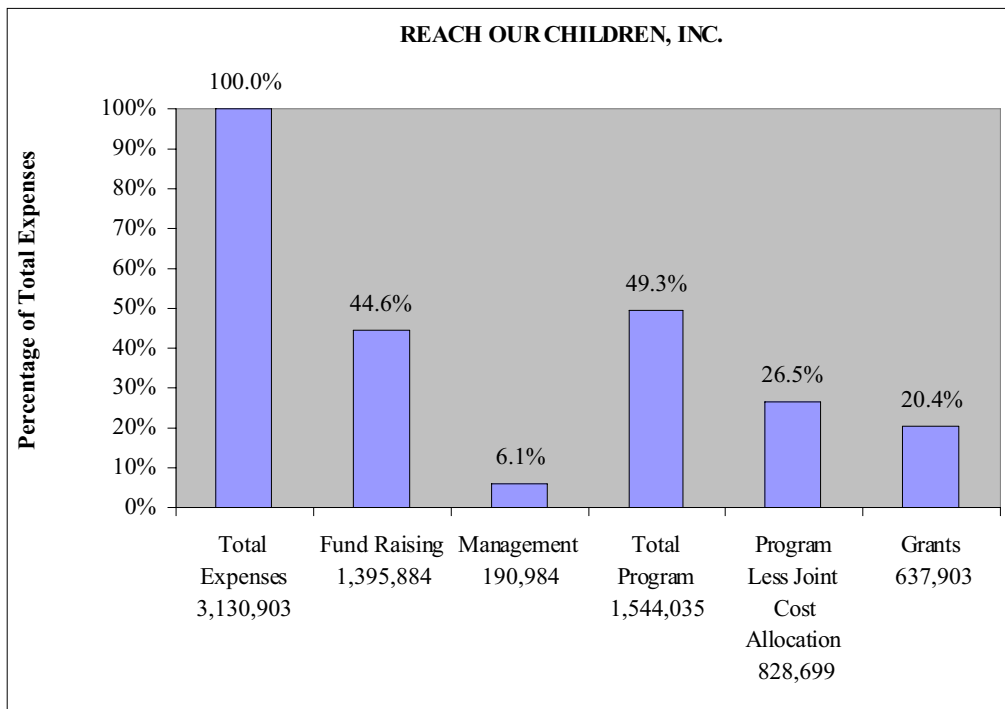
**Management:** 190,984 (6.1% of total)

**Total Program:** 1,544,035 (49.3% of total)

**Program Less Joint  
Cost Allocation:** 828,699\* (26.5% of total)

**Grants:** 637,903 (20.4% of total)

\*Includes adjustments made by DOJ to reflect allocation of total fees paid to professional fundraising consultant.



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**Oregon Attorney General's Charity Profile, 2001**

**CHARITABLE ORGANIZATIONS  
ADDRESSING HEALTH ISSUES**

# American Institute for Cancer Research Washington, DC

Mission: To fund cancer research projects.

Principal  
Mode of Contact: Direct Mail

Reporting Period: 10/99 – 9/00

Total Expenses: 35,612,105

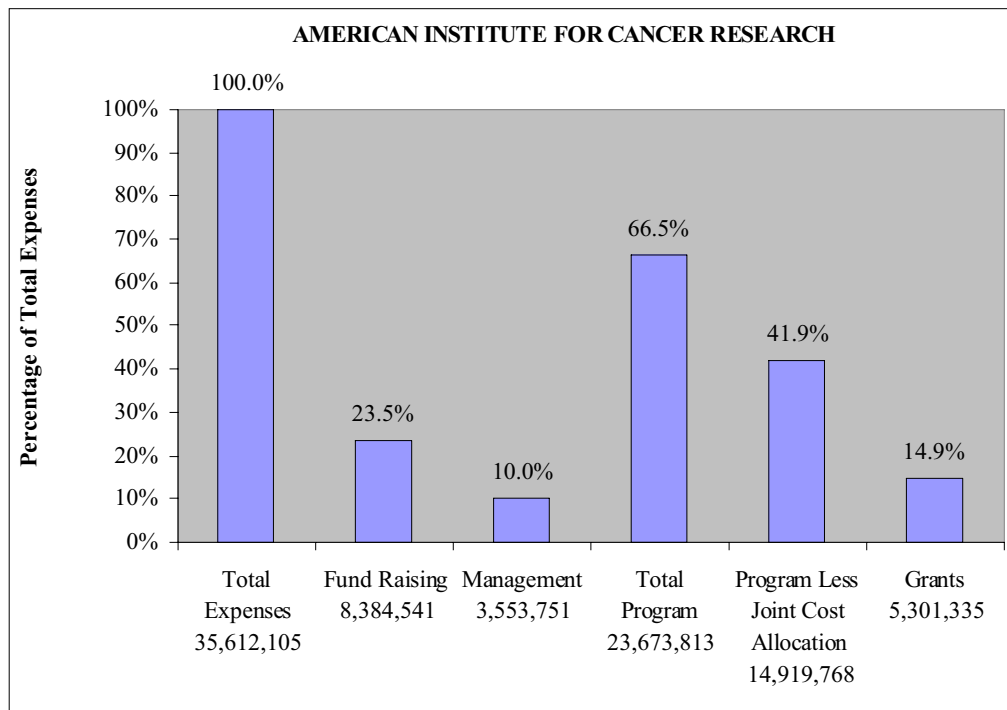
Fund Raising: 8,384,541 (23.5% of total)

Management: 3,553,751 (10.0% of total)

Total Program: 23,673,813 (66.5% of total)

Program Less Joint  
Cost Allocation: 14,919,768 (41.9% of total)

Grants: 5,301,335 (14.9% of total)



## Multiple Sclerosis Foundation Ft. Lauderdale, Florida

Mission: To give aid to victims and grants to research.

Principal  
Mode of Contact: Telefunding

Reporting Period: 1/00 – 12/00

Total Expenses: 3,796,684

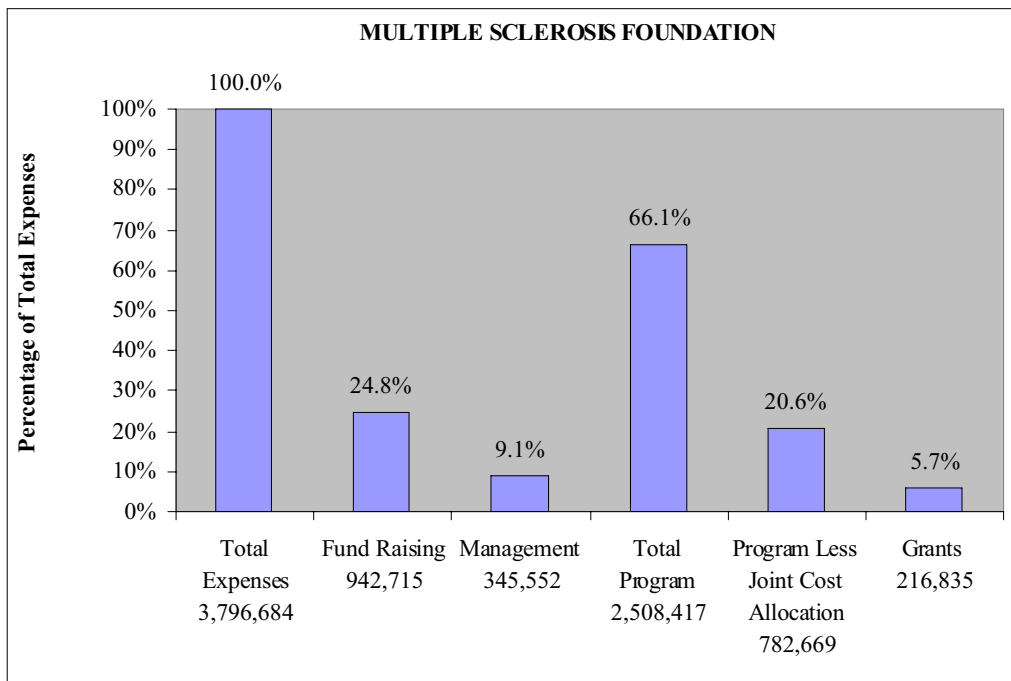
Fund Raising: 942,715 (24.8% of total)

Management: 345,552 (9.1% of total)

Total Program: 2,508,417 (66.1% of total)

Program Less Joint  
Cost Allocation: 782,669 (10.6% of total)

Grants: 216,835 (5.7% of total)



# National Caregiving Foundation Alexandria, Virginia

Mission: To provide research grants and study scholarships in the medical field.

Principal Mode of Contact: Telefunding

Reporting Period: 10/99 – 9/00

Total Expenses: 3,715,529

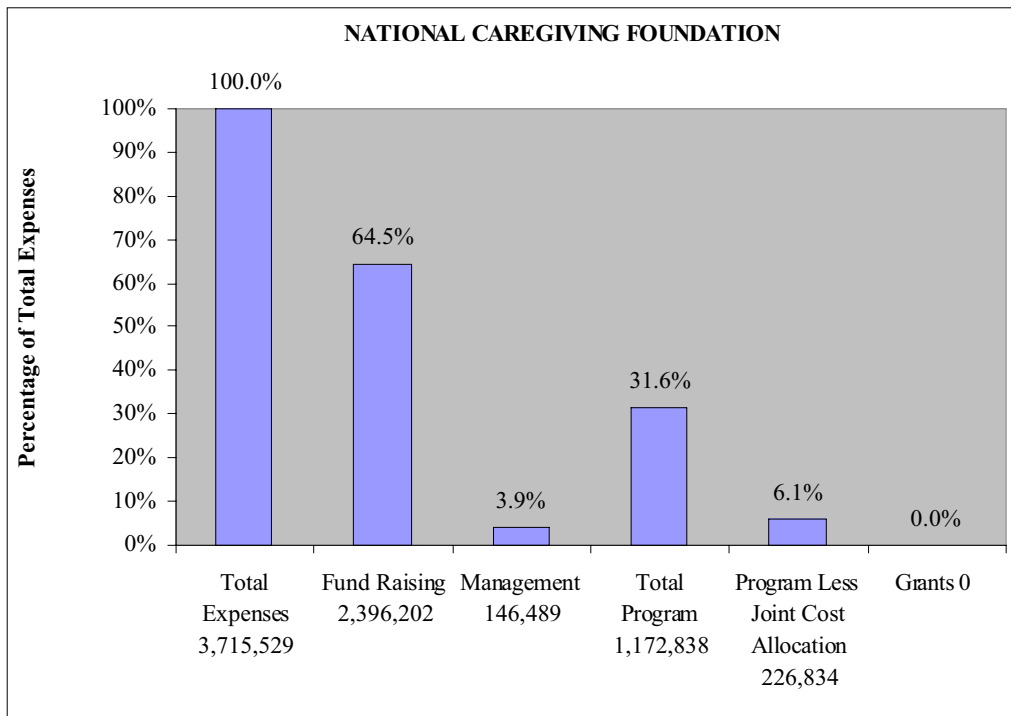
Fund Raising: 2,396,202 (64.5% of total)

Management: 146,489 (3.9% of total)

Total Program: 1,172,838 (31.6% of total)

Program Less Joint Cost Allocation: 226,834 (6.1% of total)

Grants: 0 (0.0% of total)



## National Federation of the Blind of Oregon Springfield, Oregon

Mission: To promote the general welfare of the blind of Oregon and the nation.

Principal Mode of Contact: Telefunding

Reporting Period: 1/00 – 12/00

Total Expenses: 275,123

Fund Raising: 57,072 (20.8% of total)

Management: 3,695 (1.3% of total)

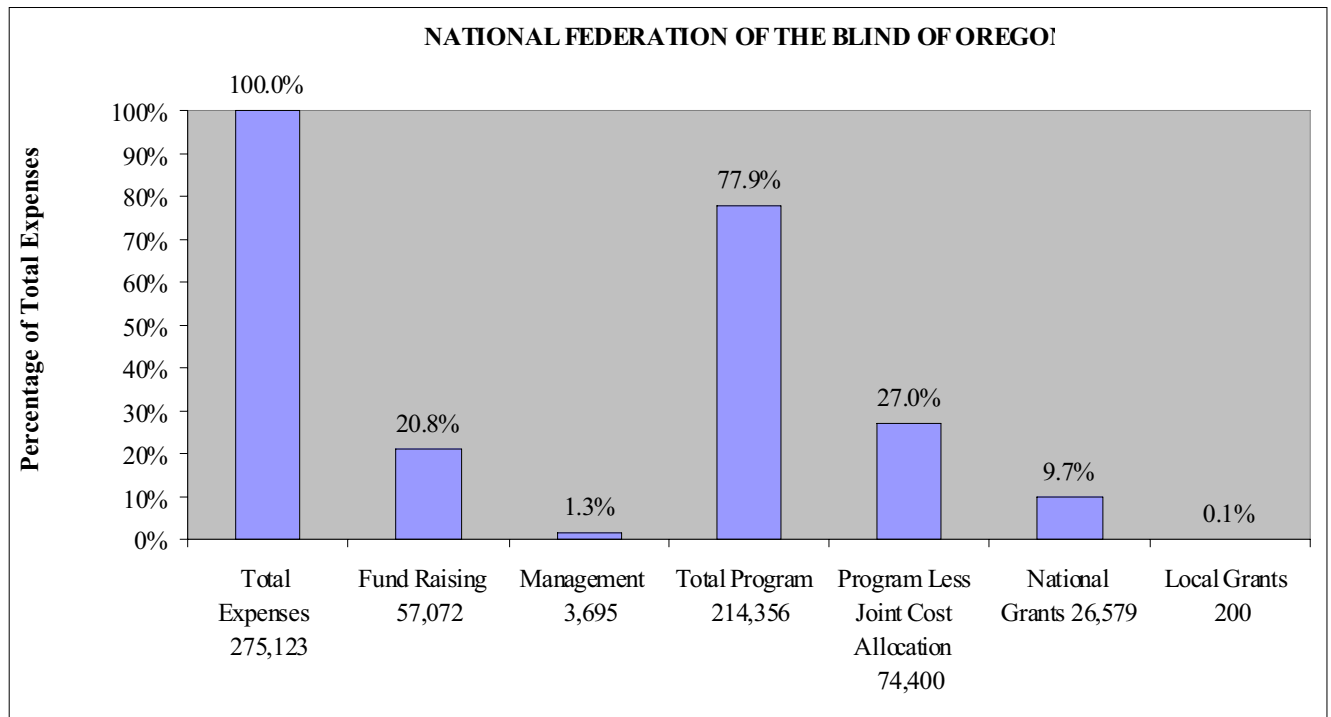
Total Program: 214,356 (77.9% of total)

Program Less Joint Cost Allocation: 74,400 (27.0% of total)

National Grants: 26,579\* (9.7% of total)

Local Grants: 200 (0.1% of total)

\*Grants include \$26,379 transferred to National organization.



**Oregon Games, Inc. (DBA: Oregon Disability Sports)  
Salem, Oregon**

**Mission:** To promote the participation of physically limited children, youth, and adults in activities including, but not limited to, sports, games and leisure opportunities.

**Principal Mode of Contact:** Telefunding

**Reporting Period:** 10/99 – 9/00

**Total Expenses:** 262,232

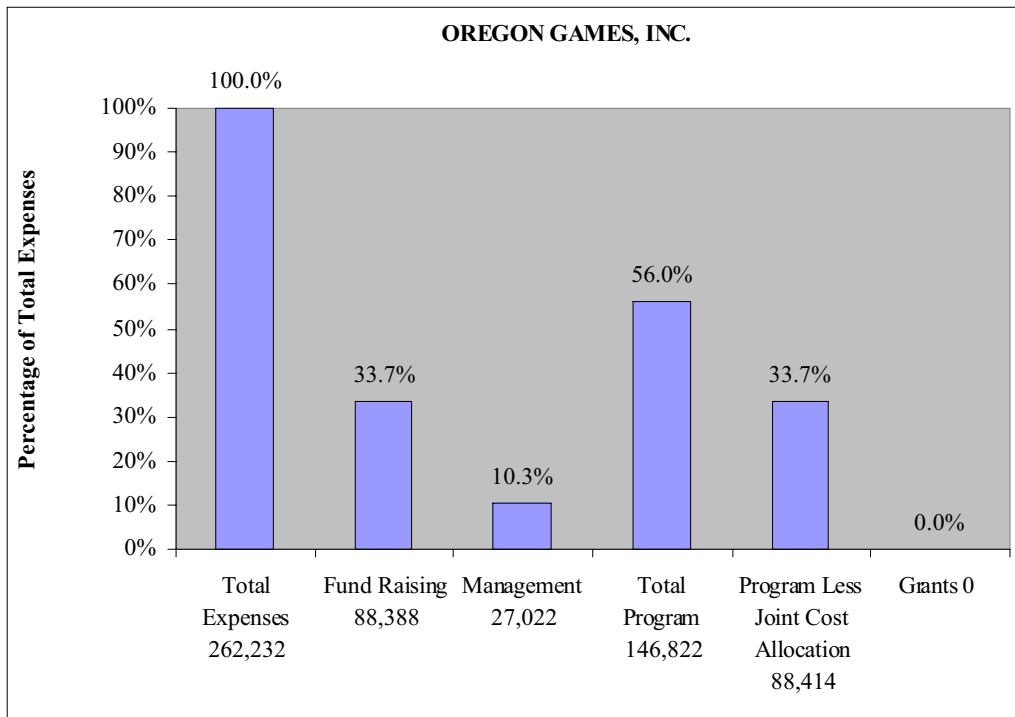
**Fund Raising:** 88,388 (33.7% of total)

**Management:** 27,022 (10.3% of total)

**Total Program:** 146,822 (56.0% of total)

**Program Less Joint Cost Allocation:** 88,414 (33.7% of total)

**Grants:** 0 (0% of total)



**CHARITABLE GIVING; IT MAKES A DIFFERENCE**

**Oregon Attorney General's Charity Profile, 2001**

**CHARITABLE ORGANIZATIONS  
BENEFITING VETERANS**

# Amvets of Oregon Hospital and Service Foundation Portland, Oregon

Mission: To raise monies for hospitalized veterans and needy veterans in the state of Oregon.

Principal Mode of Contact: Telefunding

Reporting Period: 7/98 – 6/99

Total Expenses: 552,710

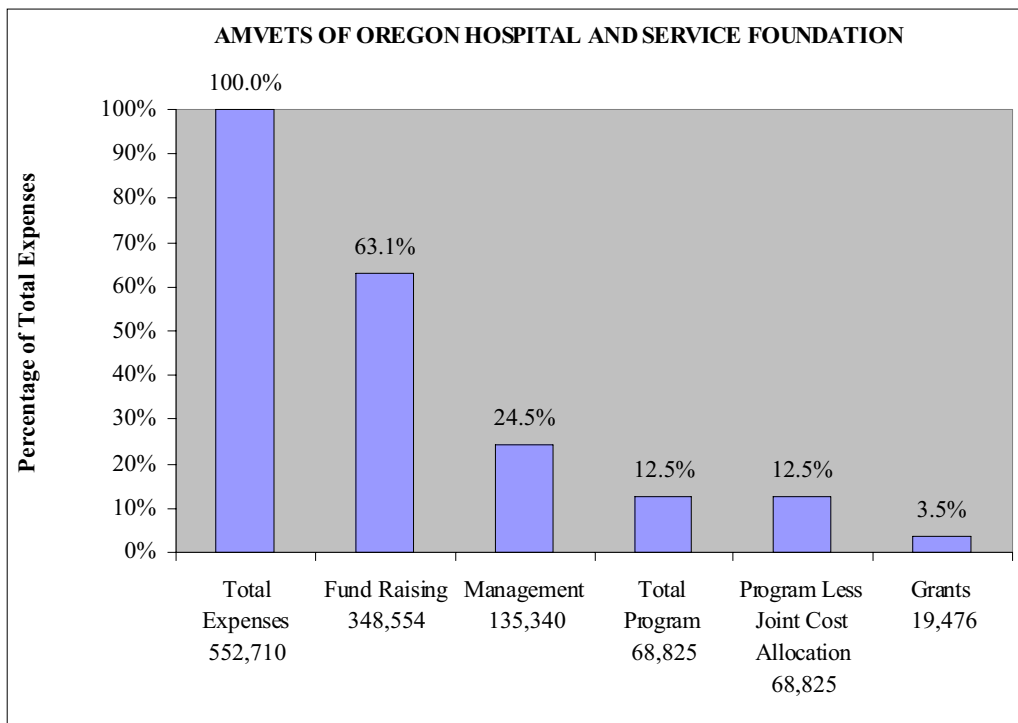
Fund Raising: 348,554 (63.1% of total)

Management: 135,340 (24.5% of total)

Total Program: 68,825 (12.5% of total)

Program Less Joint Cost Allocation: 68,825 (12.5% of total)

Grants 19,476 (3.5% of total)



## Disabled American Veterans Cincinnati, Ohio

Mission: Dedicated to building better lives for all of our nation's disabled veterans and their families.

Principal  
Mode of Contact: Direct Mail

Reporting Period: 1/00 – 12/00

Total Expenses: 95,618,533

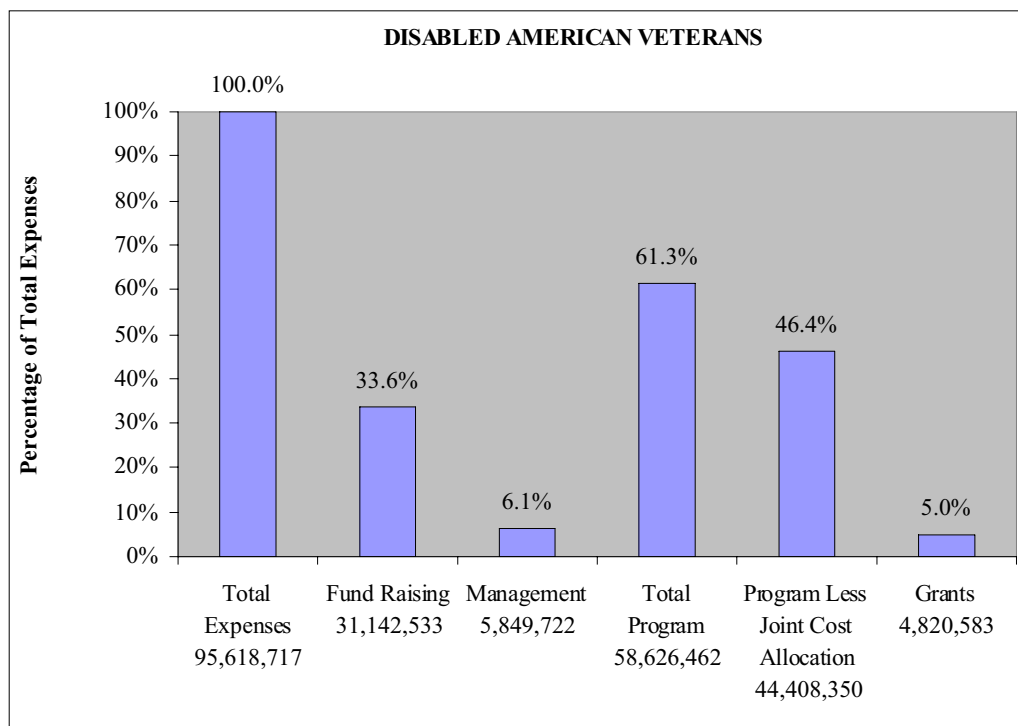
Fund Raising: 31,142,533 (33.6% of total)

Management: 5,849,722 (6.1% of total)

Total Program: 58,626,462 (61.3% of total)

Program Less Joint  
Cost Allocation: 44,408,350 (46.4% of total)

Grants: 4,820,583 (5.0% of total)



## Disabled Veterans Associations Lakewood, Ohio

Mission: Aid and assist needy and disabled veterans, their families, widows and orphans of deceased veterans through direct financial grant and through financial assistance to the various state run veterans homes; carry on programs of a patriotic nature which perpetuate the memory of veterans and veterans' programs.

Principal  
Mode of Contact: Telefunding

Reporting Period: 5/99 – 4/00

Total Expenses: 1,951,947

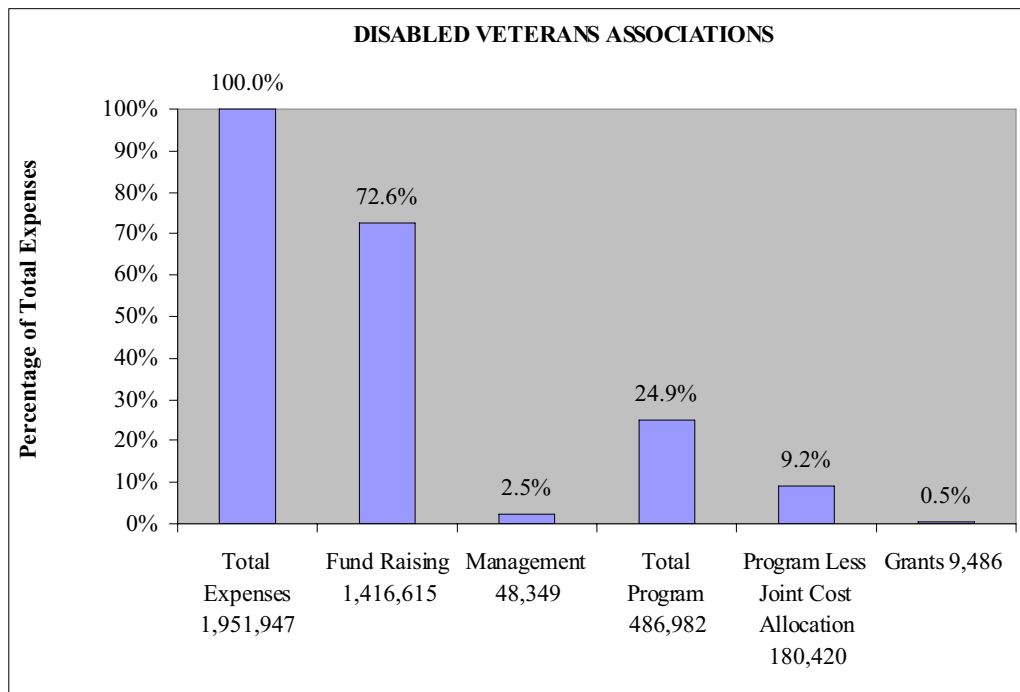
Fund Raising: 1,416,615 (72.6% of total)

Management: 48,349 (2.5% of total)

Total Program: 486,982 (24.9% of total)

Program Less Joint  
Cost Allocation: 180,420 (9.2% of total)

Grants: 9,486 (0.5% of total)



## Oregon Paralyzed Veterans of America, Inc. Salem, Oregon

Mission: To aid and assist in every way veterans of the Armed Forces who have suffered spinal cord injuries or diseases. Also helping other handicapped people.

Principal  
Mode of Contact: Telefunding

Reporting Period: 10/99 – 9/00

Total Expenses: 508,411

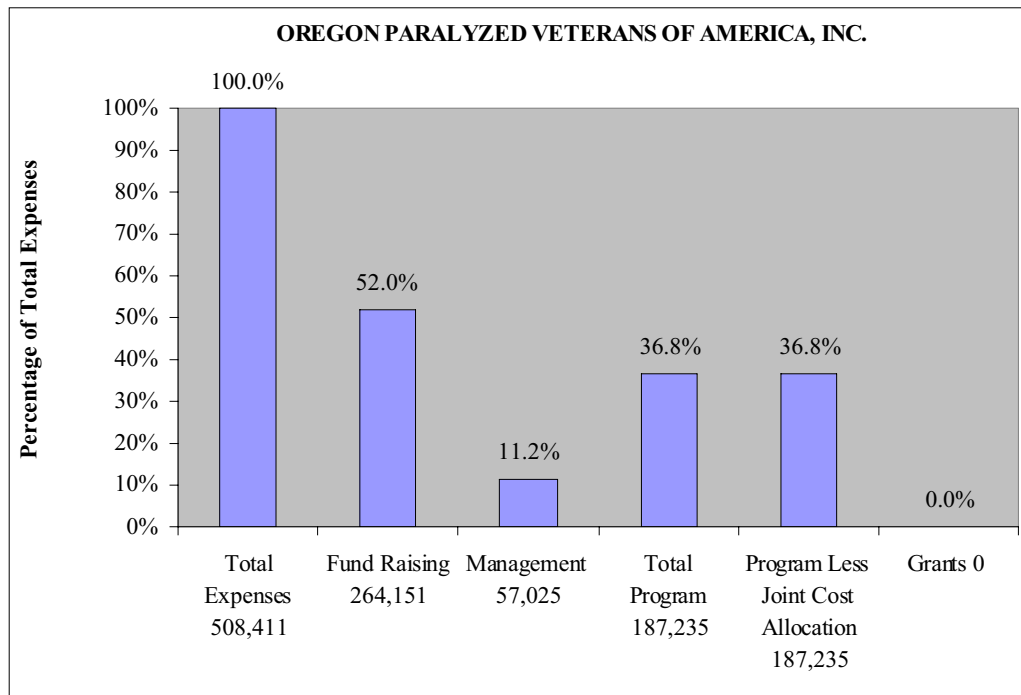
Fund Raising: 264,151 (52.0% of total)

Management: 57,025 (11.2% of total)

Total Program: 187,235 (36.8% of total)

Program Less Joint  
Cost Allocation: 187,235 (36.8% of total)

Grants: 0 (0.0% of total)



# Paralyzed Veterans of America Washington, DC

Mission: To provide education, training and employment services to the organization's paralyzed members.

Principal Mode of Contact: Direct Mail

Reporting Period: 10/99 – 9/00

Total Expenses: 84,203,312

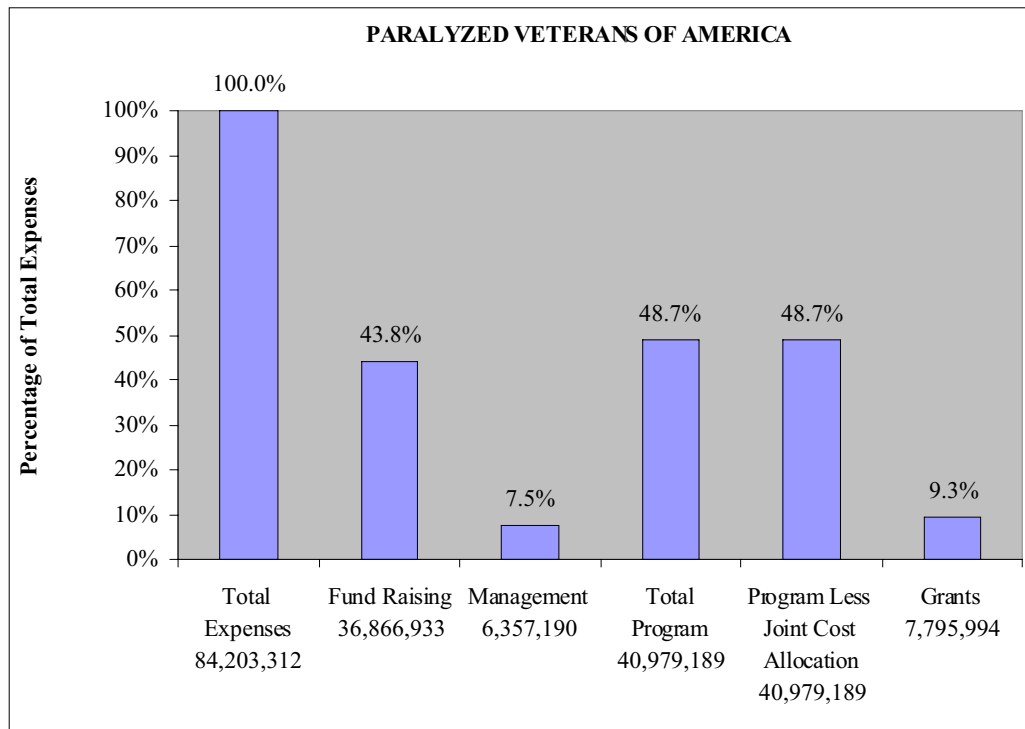
Fund Raising: 36,866,933 (43.8% of total)

Management: 6,357,190 (7.5% of total)

Total Program: 40,979,189 (48.7% of total)

Program Less Joint Cost Allocation: 40,979,189 (48.7% of total)

Grants: 7,795,994 (9.3% of total)



**CHARITABLE GIVING; IT MAKES A DIFFERENCE**

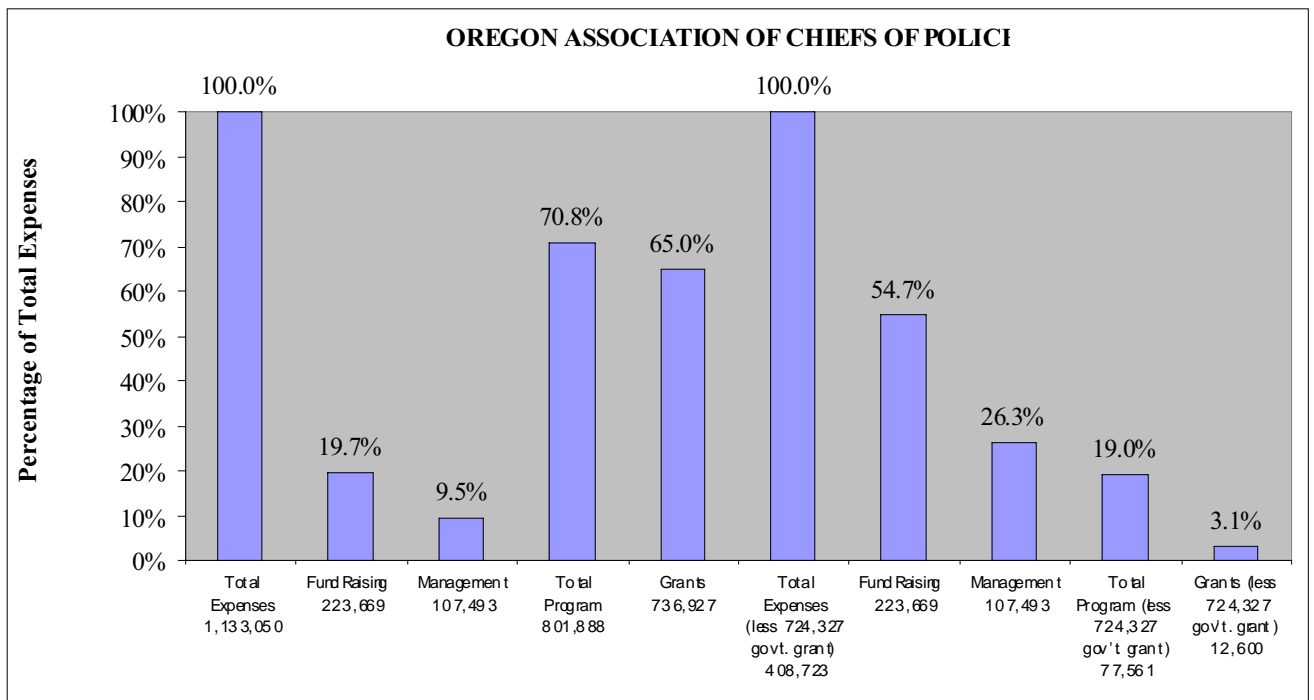
**Oregon Attorney General's Charity Profile, 2001**

**CHARITABLE ORGANIZATIONS  
WITH MISCELLANEOUS BENEFICIARIES**

# Oregon Association of Chiefs of Police Salem, Oregon

Mission: To advance the science and art of police administration.

|                                     |             |         |         |   |
|-------------------------------------|-------------|---------|---------|---|
| Principal Mode of Contact:          | Telefunding |         |         | Figures below do not include \$724,327 in government pass through grants. |
| Reporting Period:                   | 5/00 – 4/01 |         |         |   |
| Total Expenses:                     | 1,133,050   |         | 408,723 |   |
| Fund Raising:                       | 223,669     | (19.7%) | 223,669 | (54.7% of adj. total)   |
| Management:                         | 107,493     | (9.5%)  | 107,493 | (26.3% of adj. total)   |
| Total Program:                      | 801,888     | (70.8%) | 77,561  | (19.0% of adj. total)   |
| Program Less Joint Cost Allocation: | 801,888     | (70.8%) | 75,561  | (19.0% of adj. total)   |
| Grants:                             | 736,927     | (65.0%) | 12,600  | (3.1% of adj. total)  |



# Portland Rescue Mission Ministries, Inc. Portland, Oregon

Mission: To provide meals, shelter, clothing, and spiritual guidance to indigents.

Principal Mode of Contact: Direct Mail

Reporting Period: 7/98 – 6/99

Total Expenses: 2,716,107

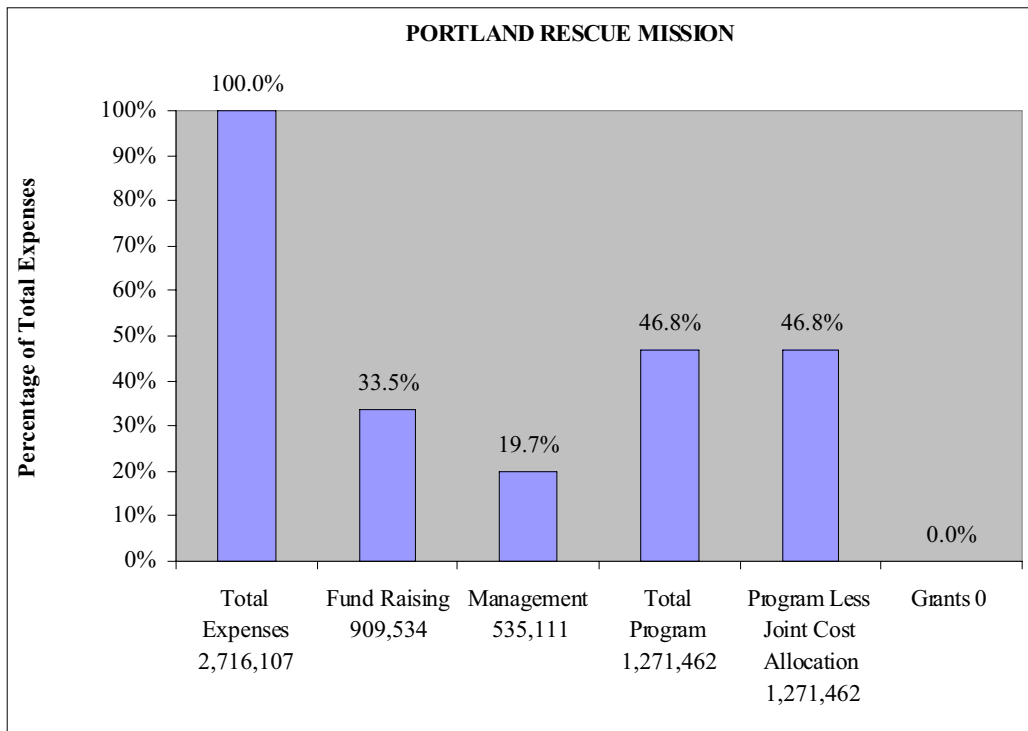
Fund Raising: 909,534 (33.5% of total)

Management: 535,111 (19.7% of total)

Total Program: 1,271,462 (46.8% of total)

Program Less Joint Cost Allocation: 1,271,462 (46.8% of total)

Grants: 0 (0.0% of total)



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**WELL-KNOWN LOCAL CHARITIES  
FOR COMPARISON PURPOSES**

# Eugene Symphony Association, Inc. Eugene, Oregon

Mission: To foster, strengthen and deepen public knowledge and appreciation of symphonic music and its associated musical forms.

Principal Mode of Contact: Direct Mail

Reporting Period: 7/00 – 6/01

Total Expenses: 1,381,578

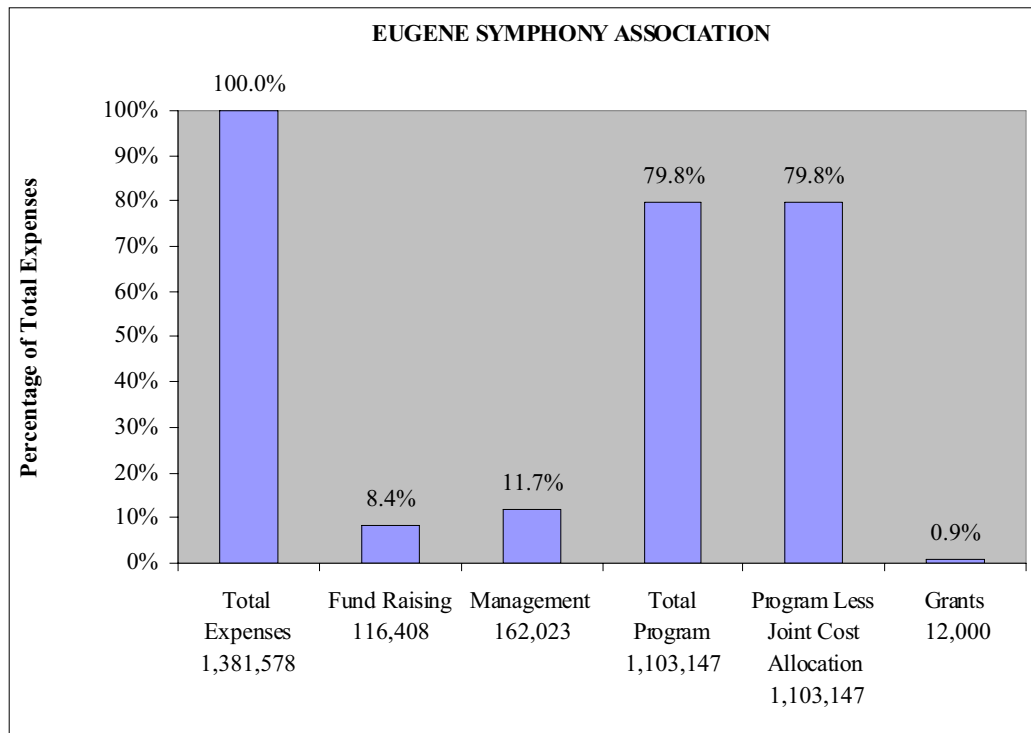
Fund Raising: 116,408 (8.4% of total)

Management: 162,023 (11.7% of total)

Total Program: 1,103,147 (79.8% of total)

Program Less Joint Cost Allocation: 1,103,147 (79.8% of total)

Grants: 12,000 (0.9% of total)



# Mercy Corps International Portland, Oregon

Mission: To meet the needs of the poor, with a special emphasis on refugees and world hunger crises.

Principal Mode of Contact: Telefunding

Reporting Period: 7/99 – 6/00

Total Expenses: 113,517,056

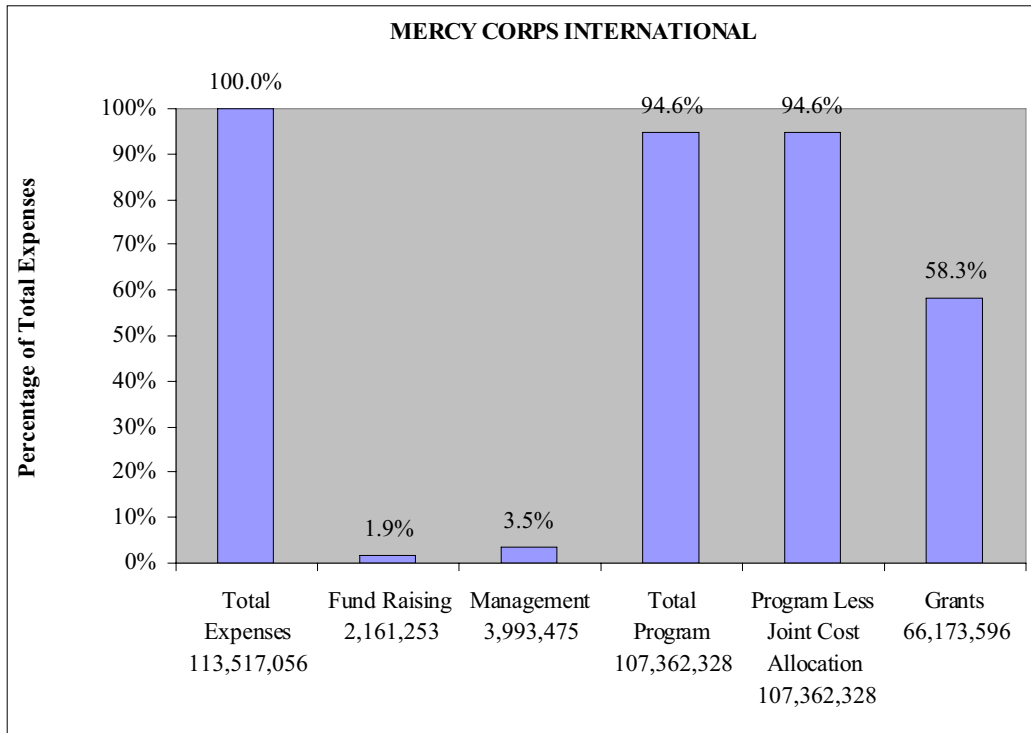
Fund Raising: 2,161,253 (1.9% of total)

Management: 3,993,475 (3.5% of total)

Total Program: 107,362,328 (94.6% of total)

Program Less Joint Cost Allocation: 107,362,328 (94.6% of total)

Grants: 66,173,596 (58.3% of total)



# Oregon Humane Society Portland, Oregon

Mission: To foster an environment of respect, responsibility, and compassion for all animals through education, legislation, and leadership.

Principal  
Mode of Contact: Direct Mail

Reporting Period: 1/00 – 12/00

Total Expenses: 3,181,707

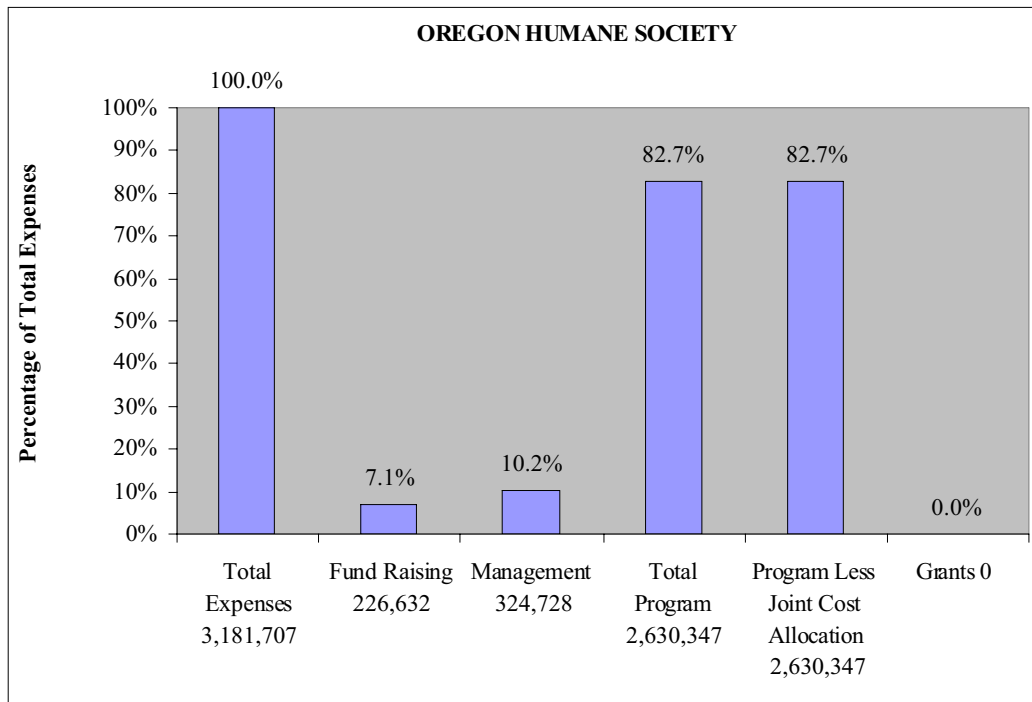
Fund Raising: 226,632 (7.1% of total)

Management: 324,728 (10.2% of total)

Total Program: 2,630,347 (82.7% of total)

Program Less Joint  
Cost Allocation: 2,630,347 (82.7% of total)

Grants: 0 (0.0% of total)



## Stop Oregon Litter and Vandalism, Inc. Hillsboro, Oregon

Mission: To reduce, control and help eliminate public littering and vandalism.

Principal  
Mode of Contact: Direct Mail

Reporting Period: 1/00 – 12/00

Total Expenses: 1,555,249

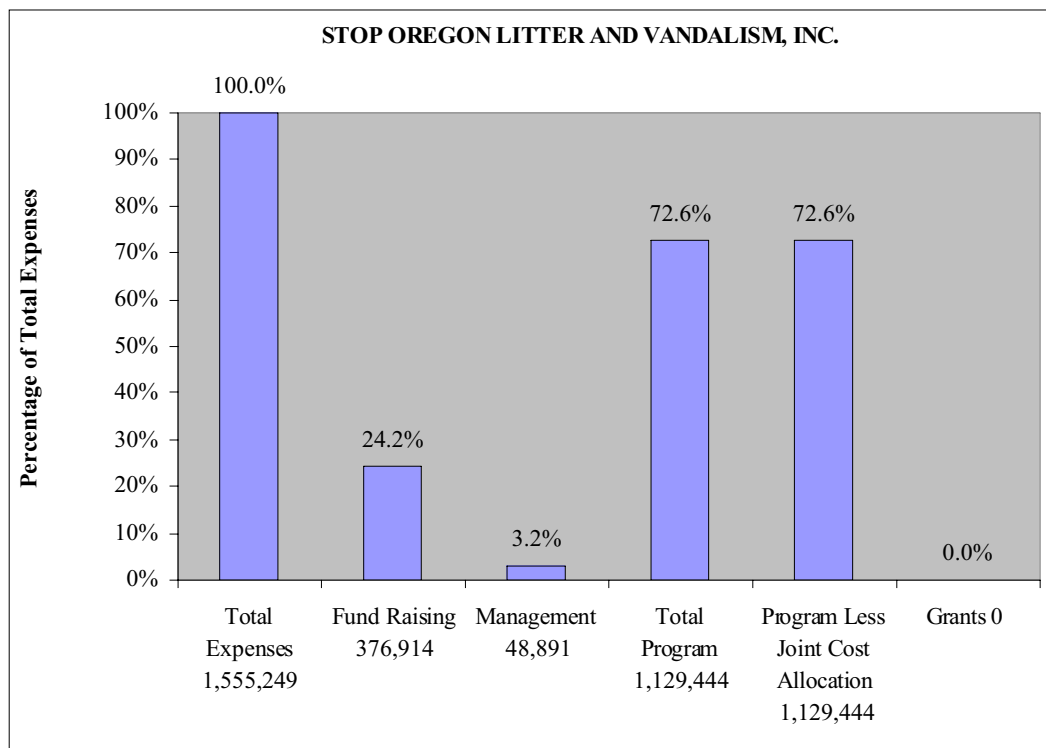
Fund Raising: 376,914 (24.2% of total)

Management: 48,891 (3.2% of total)

Total Program: 1,129,444 (72.6% of total)

Program Less Joint  
Cost Allocation: 1,129,444 (72.6% of total)

Grants: 0 (0.0% of total)



## Volunteers of America of Oregon, Inc. Portland, Oregon

Mission: To carry out religious, missionary, educational and benevolent work for the benefit of the unfortunate, underprivileged, and those in need.

Principal  
Mode of Contact: Various

Reporting Period: 7/99 – 6/00

Total Expenses: 11,172,136

Fund Raising: 794,934 (7.1% of total)

Management: 1,380,619 (12.4% of total)

Total Program: 8,996,583 (80.5% of total)

Program Less Joint  
Cost Allocation: 8,996,583 (80.5% of total)

Grants: 0 (0.0% of total)

