

GOOD CITIZENSHIP

Ranking The Rankings: How To Choose A Charity To Support

by Van Velsor Wolf

(NAPSA)—For many charitable organizations, demand for services is increasing as more people find themselves in need and the public's ability to donate is falling. Americans remain dedicated to charitable giving, but even with this enduring generosity, many social service organizations are expecting lower totals of donations this year.

At any time, it's important to make sure your hard-earned dollars are put to good use when you donate to a charity. Many charity watchdog groups publish annual rankings of charities but the process by which the rankings are created is not consistent and some are more reliable and accurate.

If you rely on charity rankings before making your donation, it is important to keep several things in mind:

1. Examine how effective a charity is at delivering on its mission: check goals and verifiable successes. Trust rankings that give a picture of how well an organization performs, not just how well it manages money.

Charity X might offer job training to homeless women. This group might be extremely effective at delivering its services, since 95 percent of all homeless women in the area who want job training are getting it and are even moving on to employment. But some rankings would not measure these impressive results, focusing instead on the percentage of Charity X's funds invested in program expenses versus operating expenses. Donors who rely on only these rankings would not know how effective Charity X is.

There are some perfectly reasonable expenses necessary to an organization getting its job done, but which may be defined as over-



Charitable rankings can help you decide which group to support—but not all rankings are equally reliable.

head and not program expenses by ranking organizations. One example is direct mail, which can often be used both for fundraising and information delivery. Even in cases where a mailer includes a great deal of helpful information, if the piece makes any fundraising appeal, many ranking organizations ascribe the cost to overhead, which can affect the ratio used to determine a performance score.

Examine efficiency and the ratio of overhead to program expenses, but do not judge an organization by this ratio alone. My own organization, the American Cancer Society, has set several ambitious goals to achieve by the year 2015, and regularly reports to the public its progress toward reaching each of them.

2. Different charities operate differently and not all rankings account for the differences. Some organizations must raise funds aggressively, while others are supported mostly or entirely by government or private sources. Some charities operate in only one city with a small number of staff, while others

have local staff and offices throughout the nation to support the needs of their constituents. Some rankings do not take these organizational differences into account.

The American Cancer Society fights cancer globally on multiple fronts, from funding research to educating the public about prevention and early detection, to providing numerous free services to those facing the disease. In measuring how a charity performs, scale and complexity are not always taken into account, but prospective donors should consider these factors.

3. Research the organization publishing the rankings. Be sure that the group or media outlet issuing the rankings is unbiased. A quick Google search may indicate any connections between a ranking organization and any charities or companies that might represent a conflict of interest.

4. Understand that there is a lot of good information available. Charity rankings can be confusing, especially when donors see that the same organization may be highly rated on one list and rated poorly on another. Make sure that you are comparing apples to apples when looking at rankings.

Alongside the rankings, look to indicators like the Better Business Bureau Wise Giving Alliance National Charity Seal, which confirms a charity passed in-depth evaluations of governance, fundraising, mission work and expenditures. The American Cancer Society is proud to have earned this seal.

It can be useful to watch the watchdogs because in charitable rankings, as with the charities they rank, one size does not fit all.

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