

WISE GIVING™

GUIDE

BBB WISE GIVING ALLIANCE : SPRING/SUMMER 2022

UKRAINE



CHARITY RELIEF





A Publication of the
BBB Wise Giving Alliance

The *Wise Giving Guide* is published three times a year to help donors make more informed giving decisions. This guide includes a compilation of the latest evaluation conclusions completed by the BBB Wise Giving Alliance.

If you would like to see a particular topic discussed in this guide, please email suggestions to

guide@give.org

or write to us at the address below.

SPRING/SUMMER ISSUE 2022

BBB Wise Giving Alliance
3033 Wilson Blvd.
Suite 710
Arlington, VA 22201
(703) 247-9321
www.give.org

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INSIDE

2 Ukraine Charity Relief

8 List of Nationally Soliciting Charities

How to Read the
List of National
Charities **6**

Q&A about the
Wise Giving
Guide **43**

National Charity
Seal Program **43**

BBB Standards
for Charity
Accountability **44**

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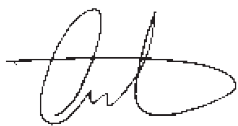
president's MESSAGE

Whenever there is a disaster or tragedy, BBB Wise Giving Alliance has always stood ready to assist donors with advice on making informed giving decisions. Although the war in Ukraine has elements of former hardships, the scope and magnitude of these circumstances are unlike any in recent memory. It seems that every day we hear about new military escalations with no end in sight.

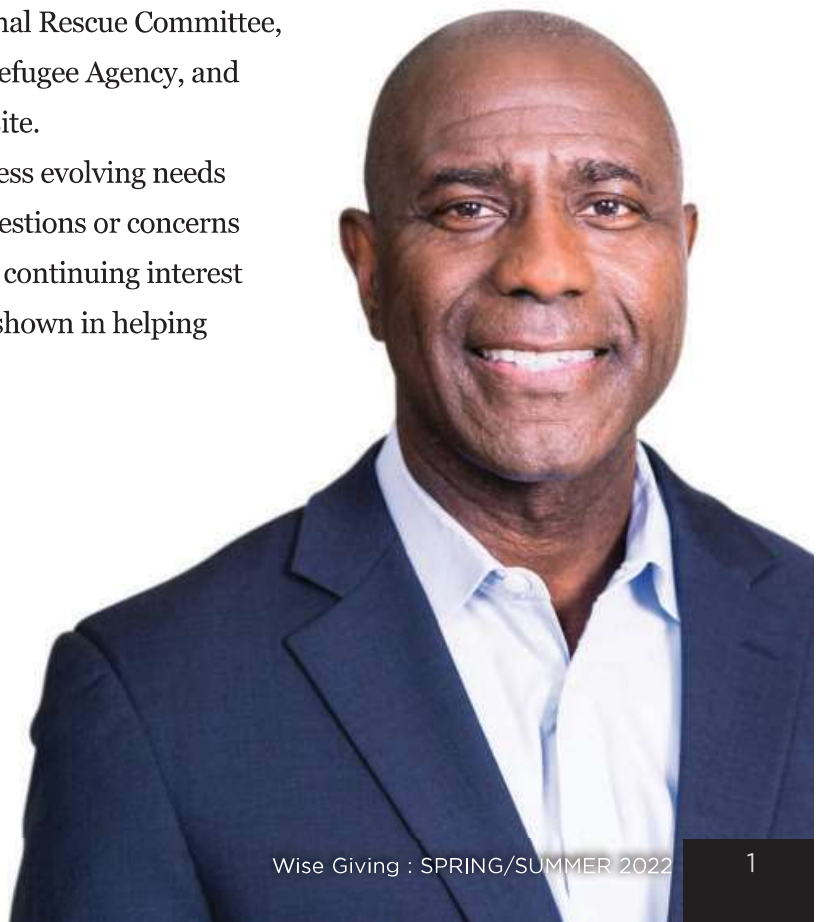
Charities engaged either with relief efforts inside Ukraine or assistance to Ukrainian refugees in neighboring countries are hard at work. We hope the advice we provide helps you make Ukraine contributions with confidence. Keep in mind, however, that this conflict is becoming a long-term struggle for Ukrainians. There will be many opportunities to help as the war continues.

We also encourage you to visit our Give.org website to get additional updates on Ukraine-related charity issues. So far, we've produced eight Ukraine stories in our *Wise Giving Wednesday* series. In addition, we've conducted video interviews with CEOs and executives at the following charities engaged in Ukraine related activities: Americares, Catholic Relief Services, GlobalGiving, International Medical Corps, International Rescue Committee, MAP International, Mercy Corps, UNHCR - The UN Refugee Agency, and World Vision. You can access these videos on our website.

We will continue to monitor charity efforts to address evolving needs of Ukrainians and encourage you to contact us with questions or concerns you might have about these issues. Thank you for your continuing interest in our work and for the generosity many have already shown in helping those suffering during this troubling time.



H. Art Taylor, *President & CEO*



UKRAINE



CHARITY RELIEF

As this issue has gone to press, the war in Ukraine continues to cause devastation and fear that Russian forces will further expand the scope of their attack. Concerns grow about the emergency needs of Ukrainian people – both in the country and fleeing as refugees to neighboring countries, especially Poland. War has many unpredictable developments. How long will hostilities last? Which areas will be safe? What emergency needs are in high demand? These and other changing circumstances can create challenges for even the most experienced and well planned charity relief efforts.

Generous donors want to support charities that are helping Ukrainians in this time of need. We certainly encourage their generosity but caution donors to avoid questionable appeals by considering the following tips:

- **Can the charity get to the impacted area?** Not all relief organizations will be positioned to provide relief quickly. See if the charity already has a presence in Ukraine.
- **Should you send clothing and food?** Local drives to collect clothing and food to send overseas may not be practical as the logistics and timing to deliver and disperse such items will be challenging. Relief organizations are better equipped to obtain what is needed, distribute it effectively and avoid duplication of effort.
- **Does the relief charity meet BBB Charity Standards?** You can verify a charity's trustworthiness by viewing an evaluative report completed by BBB Wise Giving Alliance. See the list provided in this story for charities that meet the *BBB Standards for Charity Accountability* and are soliciting relief assistance for Ukraine.
- **Is the charity experienced in providing emergency relief?** Experienced disaster relief charities are the best bet to help deliver aid as soon as possible. New entrants may have difficulty in following through, even if they have the best of intentions.
- **Are you considering crowdfunding appeals?** If engaging in crowdfunding, it is safest to give to someone you personally know and trust. Review the platform's policies regarding fees and



distribution of collected funds. If the crowdfunding request is from a charity, check out the group by visiting Give.org. Keep in mind that some crowdfunding sites do very little vetting of individuals or organizations posting for relief assistance. Sites that take security measures will usually provide descriptions of these procedures.

- **Does the appeal make exaggerated financial claims such as “100% will be spent on relief?”** Charities have fundraising and administrative expenses and any charity claiming otherwise is potentially misleading the donating public. Even a credit card donation will have a processing fee. When we see such statements being used by a charity evaluated by BBB Wise Giving Alliance, we recommend that the charity also include a disclosure explaining the basis for the 100% claim.
- **Variety of relief activities.** Keep in mind that relief charities can be involved in a variety of different efforts (food distribution, shelter, medical care, etc.). See if the charity’s website provides a description of their planned efforts. If not, ask for clarification. Don’t assume to know their program activities based on the charity’s name alone.

- **Refugee destinations.** United States Association for UNHCR, the United Nations Refugee Agency, reports that over four million people have left Ukraine to neighboring countries such as Poland, Hungary, Moldova, Romania, and Slovakia. Over half of these refugees have fled to Poland. As more refugees are on the way, donors might also consider charities engaged in assisting refugees located in those specific countries. Also, the U.N. reports that over 6.5 million people have been displaced inside Ukraine itself.
- **Deducting donations.** Relief charities that are based in the U.S. are eligible to receive contributions that are deductible as charitable donations for federal income tax purposes. In general, donations to foreign-based charities, such as those created and established in Ukraine, are not deductible. In addition, it is difficult to check out foreign-based organizations.

Continued on next page.



Three Phases of Charity Relief

Over the years, BBB Wise Giving Alliance has seen three phases of charity relief activity in the wake of natural disasters. In many ways, these same stages can be applied to the war in Ukraine. First, there is a **Rescue Phase**, where charities seek to provide immediate assistance to help save lives and address emergency needs. That phase is happening inside Ukraine's war ravaged areas. Next, is the **Relief Phase**, which seeks to provide shelter, clothing, food, and other essential necessities. As described earlier, this phase is happening in neighboring counties hosting refugees. The third stage is the **Recovery Phase** that involves rebuilding homes, schools, hospitals and repairing roads. This final phase will take time to complete and require large sums of money. But this final phase cannot start until the war is over.

Difficulties in Delivering Ukraine Aid

In a March 29th article, *Newsweek* reported that "Crucial medical supplies earmarked for Ukraine sat stranded in an Arizona warehouse for weeks after the war in the country destroyed the transport routes that charity workers relied on." While it was noted the supplies are now finally on their way, this transportation and distribution challenge is another example of how relief organizations face unpredictable obstacles in carrying out the best of intentions.

As reported by the Associated Press on March 5th, "With ports blocked and roads made treacherous by bombings, charities currently can't send humanitarian aid into Ukraine through normal channels." Ukraine relief charities will seek to adapt to such war-torn conditions but some may see their plans delayed. This problem also spotlights the importance of funding charities that are experienced in providing emergency relief needs, especially those that already had a presence in Ukraine before the invasion. For example, the International Committee of the Red Cross states that it has been working in Ukraine since 2014 with a team of over 600 staff members.

While newly established Ukraine relief efforts may have sincere and best intentions at heart, it will be difficult to provide help quickly and efficiently without the knowledge and skills to identify developing needs and utilize established connections on the ground.

Some Refugees Returning Home

On April 5th, the *New York Times* reported that a growing number of Ukrainian families that sought refuge in neighboring countries have decided to return home. The article noted that difficulties faced by Ukrainian refugees in terms of language, available space, and financial hardships are causing some to go back to Ukraine despite the risks. Some did not anticipate the war to last this long. In addition, with over 4 million Ukrainian refugees to date, neighboring countries like Poland have been flooded with an unprecedented volume of people in need.

The lessons for donors that seek to help Ukrainians is that relief aid groups need continuing assistance and are likely to welcome their support for many months to come. This also underscores that the most reliable charity relief efforts are those with experience handling these difficult situations. While newly established Ukraine relief efforts may have sincere and best

intentions at heart, it will be difficult to provide help quickly and efficiently without the knowledge and skills to identify developing needs and utilize established connections on the ground. Donors are encouraged to consider supporting experienced relief organizations.

Retail Sales Helping Ukraine

It's not unusual for disasters and tragedies to inspire some retailers to sell products or services with the promise that some of the sales will benefit a relief assistance charity. As this cause-related marketing concept has been around for decades, we are not surprised to see it implemented to assist charities engaged in Ukrainian relief. What is perhaps unexpected is the wide variety of retail promotions benefiting Ukraine relief taking place: audio equipment in Burlington, Vermont; a bakery in Alamo Heights, Texas; book sales in Portland, Oregon; borscht sales in New York City; cannabis sales in San Francisco, California; cheese in Kewaunee, Wisconsin; pierogi sales in Utica, New York; pizza in Rochester, New York; sunflower (Ukraine's national flower) seed sales in Portland, Oregon; t-shirt sales in Tulsa, Oklahoma; and vodka sales in Columbus, Ohio, and Davenport, Iowa. The common denominator among all these sale promotions was the announced intention to raise money for Ukraine-related relief purposes.

BBB Wise Giving Alliance encourages consumers to carefully look for a disclosure in these promotions. Specifically, BBB Charity Standard 19 calls for such ads to clearly disclose how the charity benefits from the sale of products or services (i.e., cause-related marketing) that state or imply that a charity will benefit from a consumer sale or transaction. Such promotions should disclose, at the point of solicitation: (a) the actual or anticipated portion of the purchase price that will benefit the charity (e.g., 5 cents will be contributed to abc charity for every xyz company product sold), (b) the duration of the campaign (e.g., the month of March), and (c) any maximum or guaranteed minimum contribution amount (e.g., up to a maximum of \$200,000).

RELIEF CHARITIES THAT ARE BBB ACCREDITED

The following nationally-soliciting charities are BBB Accredited (i.e., they meet the 20 *BBB Standards for Charity Accountability*). Their respective websites indicate that they are currently raising money for assistance efforts in Ukraine or to help refugees who have fled to other countries.

Action Against Hunger
Alight
American Jewish Joint Distribution Committee
American Red Cross
Americares Foundation
CARE USA
Catholic Relief Services
CHC: Creating Healthier Communities
Direct Relief
Episcopal Relief & Development
Global Communities
GlobalGiving
Hadassah
Heart to Heart International
Humane Society International
International Medical Corps
International Rescue Committee
MAP International
Matthew 25: Ministries
Medical Teams International
Mennonite Central Committee
Mercy Corps
Operation USA
Plan International USA
Salvation Army
Save the Children
SOS Children's Villages - USA
United Methodist Committee on Relief
United States Association for UNHCR
World Hope International
World Vision