

### How to Evaluate a Charity Before Giving

Our hearts go out to those affected by the Ukraine-Russian War. You have the power to leave a positive impact by donating to missions that you care about. When choosing to donate in times of crisis, Reclaim Foundation encourages you to donate responsibly and do research on the potential recipients. If the recent events are affecting you emotionally, remember to take a break from the news and visit Reclaim Foundation's Resource page to learn tips on self-care and navigating your emotions.

Note: This guide only applies to charities that have been registered in the United States; Which may include international organizations that do business in the US. When donating solely international organizations, please continue to do your research and donate to vetted sources.

## Identify the full name of the organization you are interested in donating to.

How did you hear about them? Did you find the organization through advertisements, word of mouth, social media, or another method? Correctly identifying the name and source is the first step to donating wisely!



## Evaluate if the organization's mission aligns with your intended purpose for donating.

Browse through the website of the organization to clearly understand their mission. A properly founded non-profit will have a concise, publicly accessible mission statement. This mission statement will inform you how they use donations to enact their mission. If no mission statement is present or does not align with your intended donating purposes, consider selecting a different non-profit.

## Identify if this organization is a registered non-profit organization.

All registered non-profit are required to abide by applicable state and federal laws. They have to meet the stringent requirements set forth by the IRS to become a non-profit. The IRS holds these non-profits to a series of yearly requirements like having publicly disclosed bylaws, tax forms, Employee Identification Number (EIN), mission statements, and more. To find if the organization of your choice is a registered charity, visit the <u>IRS' Tax Exempt Organization Search</u> and search via the organization's name or EIN.

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### Search the organization on Charity Navigator and/or Better Business Bureaus Wise Giving Alliance.

Both the Charity Navigator and Better Business Bureaus Wise Giving Alliance are great tools to receive a simplified summary of the organization's details. These sites give a breakdown and scorecard for criteria that are important in the sanctity of the organization. Smaller or new charities may not have reviews or scores yet. This does not negate that they are reputable or the optimum choice for your donation. If the charity is unlisted you may need to look at the fine details yourself but there is likely simpler information to sort through for these groups.

#### Review the organization's Form 990 and Annual Reports.

Transparency is important and you should know exactly where your money will go. Review applicable tax forms (Form 990), the IRS determination letter, and more provided by the IRS to ensure that their mission again matches both the advertisement of their charity and your expectations. The tax forms will provide you specific details about how they utilize donations and manage their funds; Does most of it go to administrative salaries or towards the mission? Annual Reports are not required for all organizations but they also offer insight into the organization's audit system, leadership, and more.



# If you are in doubt about any of the details, contact a representative of the organization.

Sometimes the quickest and easiest way to know if you should donate is by speaking to a representative directly. Were they responsive to your request to speak? Did they know how your donation would be used? Did you feel comfortable speaking to them or were they pushing only for donations? A properly ran organization will gladly provide you all the information that you need to make your decision to donate.

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