

To whom to donate? Check Charitywatch: Good grades for keeping fund-raising costs down

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Churchgoers and other charitable givers eager to aid tsunami victims in South Asia have often sent money to well-known agencies or those linked to their religious affiliation.

When charities seek follow-up gifts, and ask that donors not forget needy regions no longer in the headlines, the American Institute of Philanthropy (AIP) may provide guidance. On its Web site, www.charitywatch.org, the institute rates charitable groups, giving high grades for using 75 percent or more of donations on programs while generally spending \$25 or less to raise \$100.

AIP also updates its ratings quarterly, and not necessarily with forewarning.

Lutheran World Relief, the Baltimore-based charity supported by the largest two U.S. Lutheran denominations, noted in a January 13 press release that LWR and the American Red Cross were the only two international organizations holding an A+ grade from AIP.

On January 15, the charity watchdog dropped the LWR rating slightly to A. The Red Cross slipped to A- for unknown reasons. LWF still shares the top grade, A, with such charities as the Mennonite Central Committee, American Jewish World Service, Doctors Without Borders and others.

Donors should have no less confidence in Lutheran World Relief, Lisa B. Bonds, an LWR vice president, told the Century. "The AIP analysts did a regular review of LWR and found a minuscule decrease in the amount of our budget that goes directly and only to programs—from 90 percent to 89 percent," Bond said. "This one percentage point changed our grade from an A+ to an A."

In the current grading, those with an A- rating include the American Friends Service Committee, Catholic Relief Services and Church World Service. Those with B+ include Oxfam-America, Mercy Corps International and World Vision.

Some church-related relief agencies, such as United Methodist Committee on Relief, strive for approval from the Better Business Bureau. The BBB Web site, www.give.org, says UMCOR meets its standards. Since the Methodist group also provides independent audits and IRS filings for examination, it is also registered with GuideStar, a database used by some news media to check on charities, said Linda Behr, the UMCOR communications director.