

Charity Research Practice Worksheet

Learn to evaluate charitable organizations before donating

Part 1: Using Charity Evaluation Tools

Exercise 1: Research a Real Charity

Choose a charitable organization you're interested in and research it using Charity Navigator (charitynavigator.org) or GuideStar (guidestar.org).

a) Organization name and mission:

Name the organization and state its mission...

b) What percentage of funds goes directly to programs?

List the program expense ratio...

c) What is their overall rating or score?

Record their rating from the evaluation tool...

d) Based on your research, would you donate to this organization? Why or why not?

Explain your decision with specific evidence...

Hint: Look for organizations that spend at least 75% of their budget on programs and have high transparency ratings.

Part 2: Comparing Charitable Organizations

Exercise 2: Side-by-Side Comparison

Use the PACED decision-making model to compare two organizations addressing the same cause.

- a) Identify two organizations working on the same issue (e.g., two environmental charities):

Organization 1: _____ Organization 2: _____

- b) Complete this comparison table:

Criteria	Organization 1	Organization 2
Program expense ratio	_____	_____
Transparency rating	_____	_____
Years in operation	_____	_____
Geographic focus	_____	_____
Measurable outcomes	_____	_____

- c) Which organization would you choose and why?

Justify your decision based on the criteria...

Part 3: Identifying Red Flags

Exercise 3: Spotting Fraudulent Charities

Review this scenario and identify the warning signs.

You receive a phone call from "Veterans Support Foundation" asking for an immediate donation. The caller says they need your credit card number right away because a matching donor will double your gift, but only if you donate in the next 10 minutes. When you ask for their website, they give you a URL that's similar to a well-known veterans charity but slightly different.

a) List ALL the red flags in this scenario:

Identify each warning sign...

b) What should you do instead of providing your credit card information?

Describe the proper steps to verify this charity...

c) Where would you report a suspected fraudulent charity?

List agencies or resources for reporting...

Key Red Flags: High-pressure tactics, requests for immediate payment, similar names to legitimate charities, refusal to provide written information, no verifiable tax ID.

Part 4: Reading a Form 990

Exercise 4: Analyzing Financial Information

Form 990 is the tax return that nonprofits must file annually. Use GuideStar to find a Form 990 for an organization you're researching.

a) What is the organization's total revenue?

Find this on the Form 990...

b) What percentage is spent on:

- Program services: ____%
- Management/general: ____%
- Fundraising: ____%

c) What is the CEO/Executive Director's compensation?

Find this in Part VII or Schedule J...

d) Is the executive compensation reasonable for the organization's size? Explain:

Compare to similar organizations...

Hint: Charity Navigator provides guidance on reasonable executive compensation based on organization size and sector.

Part 5: Aligning Giving with Values

Exercise 5: Personal Values Assessment

a) Rank these charitable causes by personal importance (1 = most important):

- Education
- Health/Medical Research
- Environment/Conservation
- Poverty/Hunger Relief
- Animal Welfare
- Arts/Culture
- Community Development
- Other: _____

b) Why is your top-ranked cause most important to you?

Explain your personal connection or motivation...

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c) What specific outcomes would you like to see from your charitable giving?

Be specific about the impact you want to make...

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Reflection Questions

1. Why is it important to research charities before donating?

Your reflection...

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2. What criteria matter most to you when evaluating a charitable organization?

Your answer...

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3. How will you use what you learned to make better giving decisions?

Describe your approach going forward...

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