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Forbes Picks 5 All-Star Charities: Top Rankings For Efficient Groups

For the 100 Largest Charities, click [here](#).

Who deserves your charitable dollars? To help you decide, we've calculated the financial efficiency of the 100 U.S.

charities that received the most private donations last year. We've also picked five all-stars—charities that are reasonably efficient (compared to their peers) and do fine work in their areas. In our tables, fundraising efficiency shows the percentage of gifts left after the expense of soliciting them.

Charitable commitment subtracts other overhead, too. Donor dependency? That's the share of donations needed to break even; charities with a ratio above 100 had to dig into reserves and really need your dollars.



WASHINGTON - SEPTEMBER 15: Academy Award-winning actor Denzel Washington leaves the West Wing of the White House with a group of people from the Boys and Girls Clubs in Washington, DC. Washington is a national spokesman for the organization and was at the White House on their behalf. (Image credit: Getty Images North America via @daylife)

[Brother's Brother Foundation](#)

Run from a graffiti-scarred neighborhood in [Pittsburgh](#), Brother's Brother delivers medicine and educational supplies worldwide, a mission that hasn't changed much since its start in 1958. This is a family-run affair: Luke L. Hingson, the current chief, is the son of the organization's founder. Brother's Brother has been leading a push among gift-in-kind charities—nonprofits that receive more resources as donated goods than they do cash—for greater truth when accounting for those donated goods. (Among the problems, as reported by FORBES last year, some charities were wildly inflating the value of donated pills, making their operations look deceptively efficient.) Brother's Brother is efficient, with only 16 full-time workers. Donations (\$241 million last year) were steady through the recession, even as donors pulled back from many charities. "We haven't had a lot of financial pressure, so it's allowed us to take on some harder projects," says Hingson. It's now delivering supplies to

100 African hospitals, up from 4 two years ago.

JDRF

Some single-disease charities spend a lot of money soliciting contributions by mail. JDRF (it recently renamed itself from the [Juvenile Diabetes Research Foundation](#) to reflect the varied ages of Type 1 diabetes patients) holds down costs by relying on a network of volunteers—everyone from [International Chairman Mary Tyler Moore](#) to “advocates” who lobby Congress for diabetes funding to elementary school kids taking part in the fundraising walks that helped it raise \$198 million last year. CEO Jeffrey Brewer touts new Web tools for volunteers. Meanwhile, JDRF directs its big bucks to medical research.

Boys & Girls Clubs of America

Ads featuring celebrity alumni, including Denzel Washington, Magic Johnson and Cuba Gooding Jr., helped the clubs raise \$658 million last year relatively efficiently. “They have a real-life story to tell,” says Jim Clark, the group’s CEO. “And we’ve capitalized on that.” BGCA is now building a national tracking system—based on surveying kids when they join and before they leave—to help clubs use money most effectively, by figuring out which programs have the most impact.

International Rescue Committee

This New York-based charity was formed in 1933, after Albert Einstein asked Americans to help refugees from Hitler’s Germany. George Rupp, a former Columbia University president, became president and CEO of the relief group in 2002 and has tripled its total budget. IRC now operates in 40 countries, helping to care for (and sometimes resettle) refugees from conflict zones. The key to affording such expansion, says Rupp, is training local hires to do the work. “It’s much cheaper to operate with locals than it is to support expatriates or an entire international team,” he says. As conflicts drag on, savings mount. The IRC first started helping Afghan refugees in 1980 after the Soviet invasion; today it’s still in Afghanistan, with a 99% local staff.

United Way

The largest charity in the U.S. by donations (\$3.9 billion last year) United Way has a built-in efficiency edge, since 57% of its donations come through payroll withholding and another 20% from corporate donations. Still, when CEO Brian Gallagher took over a decade ago, the sprawling organization was recovering from a nasty scandal (a previous CEO went to jail) and suffering from a lack of focus (it was simply sprinkling money around to every group). Gallagher has turned what was a “loose confederation” into something more akin to a global franchise operation, with 1,800 chapters worldwide, including 1,200 in the U.S. The domestic chapters, and later foreign affiliates, were required to agree to independent review boards, audits and limits on marketing tactics. “Just as McDonald’s would, we needed to ask ourselves, where do we have to be consistent and where do we allow innovation on the ground?” says Gallagher. U.S. chapters now pay 1% of funds raised to the parent organization. About a quarter of what United Way takes in domestically is directed by donors to other charities. Money that stays with United Way is now used for one of three focus areas: education, income and health (particularly obesity prevention).

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