

Arlington Heights Police Department

CHARITY FRAUD PREVENTION



In today's tough economy, many charities are dealing with a variety of ups and downs: increases in the demand for service, and decreases in funding, to name just two. To meet their challenges, many are asking for bigger contributions, asking for contributions more often and looking for a bigger pool of donors. In addition, legitimate charities are facing competition from fraudsters who either solicit for bogus charities or aren't honest about how the so-called charity will use contributions. (Federal Trade Commission 2010).

REMEMBER that some charities pay professional fund-raisers. They may claim to be collecting money for your local police department but the actual officers are not making those calls. These professionals are in business to make money. They are entitled to keep a portion of the money they collect.

Warning Signs of a Charity Scam: It is suggested that donors should avoid any charity or fundraiser that:

- ✓ Refuses to provide written information about its identity, its costs and how the donation will be used.
- ✓ Will not provide proof that a contribution is tax deductible.
- ✓ Uses a name that closely resembles that of a better-known, reputable organization.
- ✓ Thanks a potential donor for a pledge the person doesn't remember making.
- ✓ Asks a potential contributor for credit card information before the person has agreed to contribute.
- ✓ Uses high pressure tactics to secure a donation before the donor has a chance to make an informed decision.
- ✓ Asks for donations in cash.
- ✓ Offers to send a courier or overnight delivery service to collect the donation immediately.
- ✓ Guarantees sweepstakes winnings in exchange for a contribution.

REMEMBER be wary of charities that spring up overnight in connection with current events and natural disasters.

Protect Yourself!

- ✓ Ask for written information about the charity.
- ✓ Call the charity – find out if the organization is aware of the solicitation.
- ✓ Check to see if the charity or fundraiser is registered.

REMEMBER you can go to www.IllinoisAttorneyGeneral.gov and search the Charitable Database. Illinois law requires charitable organizations which solicit and/or hold charitable monies in Illinois to register and file annual financial reports with the Attorney General's Office. These annual financial reports provide a valuable source of information to help you ascertain a particular charity's programs, activities, grants, finances, and priorities. The Charitable Database allows you to search for public charities and private foundations which are registered in Illinois by name, registration number, FEIN #, city, state and/or zip code.