

Highlights of GAO-03-259, a report to the Ranking Minority Member, Committee on Finance, United States Senate

Why GAO Did This Study

Surveys suggest that as many as two-thirds of American households have donated money to charitable organizations to aid in the response to the September 11 disasters. To provide the public with information on the role of charitable aid in assisting those affected by the attacks, GAO was asked to report on the amount of donations charities raised and distributed, the accountability measures in place to prevent fraud by organizations and individuals, and lessons learned about how to best distribute charitable aid in similar situations.

What GAO Recommends

To help facilitate collaboration among charitable organizations involved in disasters, GAO is recommending that FEMA convene a working group of involved parties to take steps to implement strategies for future disasters, building upon lessons learned in the aftermath of September 11.

The working group should address issues such as the development and adoption of a common application form and confidentiality agreement for use in disasters and strategies for enhancing public education regarding charitable giving.

This group could include representatives of key charitable and voluntary organizations and foundations; public and private philanthropic oversight groups and agencies; and federal, state, and local emergency preparedness officials.

www.gao.gov/cgi-bin/getrpt?GAO-03-259.

To view the full report, including the scope and methodology, click on the link above. For more information, contact Cynthia M. Fagnoni (202) 512-7215.

SEPTEMBER 11

More Effective Collaboration Could Enhance Charitable Organizations' Contributions in Disasters

What GAO Found

Although it may be difficult to precisely tally the total amount of funds raised in response to the September 11 attacks, 35 of the larger charities have reported raising an estimated \$2.7 billion since September 11, 2001. About 70 percent of the money that has been collected by these 35 charities has been reported distributed to survivors or spent on disaster relief since September 11, 2001. Charities used the money they collected to provide direct cash assistance and a wide range of services to families of those killed, those more indirectly affected through loss of their job or residence, and to disaster relief workers. Some of the charities plan to use funds to provide services over the longer term, such as for scholarships, mental health counseling, and employment assistance.

Charities and government oversight agencies have taken a number of steps to prevent fraud by individuals or organizations, and relatively few cases have been uncovered so far. However, the total extent of fraud is not known and will be difficult to assess particularly in situations when organizations solicit funds on behalf of September 11 but use the funds for other purposes.

Overall, charitable aid made a major contribution in the nation's response to the September 11 attacks, despite very difficult circumstances. Through the work of charities, millions of people contributed to the recovery effort. At the same time, lessons have been learned that could improve future charitable responses in disasters, including easing access to aid, enhancing coordination among charities and between charities and the Federal Emergency Management Agency (FEMA), increasing attention to public education, and planning for future events. FEMA and some charitable organizations have taken some steps to address these issues. However, the independence of charitable organizations, while one of their key strengths, will make the implementation of these lessons dependent on close collaboration and agreement among charities involved in aiding in disasters.



Source: GAO.