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ATTORNEY GENERAL MADIGAN TAKES ACTION AGAINST FRAUDULENT CHARITIES CLAIMING TO HELP VETERANS***Madigan Joins FTC & 50 States to Announce Enforcement Actions Across the Country***

Chicago — Attorney General Lisa Madigan today joined with the Federal Trade Commission, attorneys general across the country and other law enforcement and charity regulators to announce “Operation Donate with Honor,” a crackdown against fraudulent charities that scam consumers by falsely promising their donations will help veterans and service members. Madigan and the coalition announced more than 100 actions against charities, fundraisers and individuals along with a new donor education campaign.

As part Madigan’s long-standing commitment to fighting fraudulent charitable soliciting, Madigan today announced a settlement agreement with 15 other states and Operation Troop Aid (OTA), a Tennessee-based charity that sends care packages to deployed service members. OTA participated in an unlawful charity program with nationwide retailer, Harris Jewelry, which operates a store near the Great Lakes Naval Base in Lake County, Ill., by publicly advertising that if consumers purchased a teddy bear dressed in military uniforms, the jewelry store would donate a specific amount of money, depending on the bear’s size, to OTA. But Madigan and the other attorneys general allege that OTA failed to ensure that donations were used toward its charitable mission of sending care packages to deployed service members and failed to request or receive periodic accountings of teddy bear sales. Under the settlement with the states, OTA has agreed to stop operating and enter into an agreement which includes dissolution, penalties, a provision barring its chief executive from serving as a fiduciary, or soliciting for, any nonprofit, and assistance in the states’ continued investigation into Harris Jewelry.

In addition, Madigan highlighted her previous lawsuits against Community Guide Magazines Inc., Supplemental Security Foundations Inc. and VietNow National Headquarters for various fundraising violations, including making misleading representations to people during solicitations for veterans’ charities.

“My office has targeted many professional fundraisers in Illinois who claim to seek donations for veterans but are in reality brazen con artists,” Madigan said. “When people donate their money to support our veterans and service members, their money should be used to further the mission of that worthy cause.”

Every year, people across Illinois and the country make donations to charities that promise to deliver help and services to veterans and service members. Most of these charities live up to fundraising promises, but some attract donations by lying about help and support that is never provided. In the process, they harm not only well-meaning donors, but also the many legitimate charities engaged in important and vital work on behalf of veterans and service members.

The law enforcement actions announced today by Madigan, the FTC and the other states highlight the many different ways consumers are solicited for charitable donations – online, over the phone, in the mail, through door-to-door solicitations and at retail stores. Regardless of the method used, the common theme is the false promise to help veterans, including false promises to help homeless and disabled veterans, to provide veterans with employment counseling, mental health counseling or other assistance, and to send care packages to deployed service members. Some of the law enforcement actions charge veterans’ charities with using deceptive prize promotion solicitations. Others target non-charities that falsely claimed that donations would be tax deductible. Some cases focus on veterans charities engaged in flagrant self-dealing to benefit individuals running the charity, and some alleged that fundraisers made misrepresentations on behalf of veterans’ charities or stole money solicited for a veterans’ charity.

Madigan encourages potential donors to learn how to spot fraudulent and deceptive solicitations and make sure their contributions actually benefit veterans and service members. When donating to charity, Madigan advises consumers to:

- Ask for the charity's name, website and physical location;
- Ask how much of any donation will go to the charitable program you want to support;
- Check [Madigan's Charitable Trust Database](#) to see if a charity is up-to-date on its registration;
- Search the charity's name online with the word "scam" or "complaint" and see what other people say about it;
- Check out the charity's ratings at the Wise Giving Alliance, Charity Watch or Charity Navigator;
- Never pay with cash, a gift card or by wiring money; and
- Consider paying by credit card, which is the safest option for security and tax purposes.

Illinois residents with questions or complaints about charitable giving can contact Madigan's Consumer Fraud hotlines at:

1-800-386-5438 (Chicago)

1-800-243-0618 (Springfield)

1-800-243-0607 (Carbondale)

People can also find information to help them donate wisely and make their donations count at [FTC.gov/Charity](https://www.ftc.gov/charity).

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