

July 21, 2020

Dear Ms. Bahen,

We believe it is vital for charities to be open, accountable and transparent, which is why over the years we have gone further than most other organizations in our sector to engage third parties to conduct independent evaluations of WE Charity and ME to WE Social Enterprise. And it is why we have always done our best to cooperate fully with Charity Intelligence, providing information and responding to questions.

We have attempted to engage with you multiple times. So it is with the greatest concern that we have watched you make multiple factually inaccurate, incomplete and misleading statements to the media about WE Charity and ME to WE Social Enterprise over the past two weeks. We have noted your position as the 'go to voice' to provide negative commentary about WE Charity during your interviews with CBC Radio The Current, The Globe and Mail, Evan Solomon, The Epoch Times, Canadaland and other media, as well as on social media. On these platforms you have made multiple incorrect assertions even though we have previously provided you with proper factual information.

It is also concerning, given the role Charity Intelligence plays in delivering unbiased and apolitical assessments, that the Charity Intelligence Twitter account has repeatedly provided unsolicited negative commentary about WE, and retweeted articles that seek to portray WE in a negative light. This seems highly inappropriate and inconsistent with part of your stated mission "To always be respectful of Canadian charities, to respect their decisions and recognize the challenges they face."

The annual Charity Intelligence evaluation of WE Charity's financials and transparency clearly shows (i) our most recent audited finances are transparently available – without any significant concern by the auditors; (ii) you score WE Charity an 'A' based on reporting of work and results; (iii) you score WE Charity as 'Fair' in demonstrated dollar per impact; (iv) you state a need for funding related to cash and investments ; (v) you report a responsible administration rate of 86% to the cause. Yet, in spite of your own measurement systems, you have shown a noteworthy lack of fairness and balance in your commentary about WE Charity.

Although much of what follows has been provided in previous correspondence with you and your staff, we would like to address the inaccurate and misleading claims you have made to media thus far, in the hopes you will be more balanced going forward. We believe that accuracy is not only important for WE Charity but for the public trust in the entire sector.

On WE Charity governance, you state: "Did WE Charity *inform* the government that its board had resigned or was replaced just weeks before, and that there was a gap in governance and oversight at the charity? ... Oh and by the way — it has no board."ⁱ

Your statement is factually incorrect. At no time was there a 'gap' in our governance, or were we ever operating with "no board." You are marking a false claim, as this would be in violation of Canadian Revenue Agency regulations.

The majority of our Board are independent experts who are outstanding in their fields. See [here](#) for current member list. Our highly qualified Board includes:

1. a Certified General Accountant formerly of Deloitte & Blackrock
2. a partner at a major law firm

3. former Director of Education of Toronto District School Board
4. a successful tech entrepreneur
5. a medical doctor
6. a Chief Operating Officer of a social enterprise
7. a respected educational leader
8. a former senior leader of Inglewood School District in greater Los Angeles

On WE Charity governance, you state: “We have a charity that seems to be in crisis right now and unfortunately in March it’s entire board except for one person was replaced, we have a rookie board.”ⁱⁱ

Your statement is factually incorrect. You are aware that WE Charity is governed by a North American Board. There are 3 individuals—who served for 3+ years on the Board of Directors, who remained on the Board during the renewal process. Each are, respectively, senior leaders in finance, legal, and education. That’s 1/3 of the North American board who continue to serve in key roles to ensure continuity of organizational knowledge and expertise in finance, legal affairs, and education design.

Concerning the WE board, you stated: “WE really need to know what is going on, and I’m just surprised given all the news that has happened, we have not heard from the chair of the WE Charity board of directors.”ⁱⁱⁱ

Your statement is factually incorrect. Charity Intelligence has been previously provided with a [statement from the Board of Directors](#).

You have questioned WE Charity’s transparency: “They have not provided their audited financial statements...”^{iv}

Your statement is factually incorrect. WE Charity publishes its audited financials every year—and gives them to Charity Intelligence. The release of financials for 2019 has been delayed due to COVID-19, nevertheless our staff worked without hesitation to get Charity Intelligence an advance copy upon request.

On the relationship between WE Charity and ME to WE, you say: “I think because it’s so confusing and I think the lines between these organizations are blurred intentionally.”^v

Your statement is factually incorrect. The distinction between WE Charity and ME to WE Social Enterprise is right there in the names: “charity” and “social enterprise”. WE Charity and ME to WE Social Enterprise have detailed information outlining the brand, legal, and operational separation between the two entities. The structure, model, governance, impact and relationship to WE Charity have all been reviewed and evaluated by highly qualified experts on the subject, including the Ontario Public Guardian and Trustee, former Supreme Court Justice Peter Cory, former Ontario Appeal Court Justice Stephen Goudge, B Corp and Mission Measurement.

On the financial transactions between WE Charity and ME to WE, you have said: “No other charity has what we have called backwash.... You don’t see donations go from the non-profit to the profit”^{vi}

This is a deliberate and disingenuous mischaracterization. Auditors have confirmed that over the past five years that ME to WE Social Enterprise has given, on average, over 90% of its profits to WE Charity (see [HERE](#)). Any remaining profits have been re-invested back to help scale the social enterprise. Over the years, ME to WE Social Enterprise has donated in excess of \$20-million in cash and cost-offsetting in-kind services to the charity. These facts are being omitted in your statements to the press.

When WE Charity purchases goods from the social enterprise — mostly hosting trips for youth on scholarships and hosting charity donors — there are clear internal controls and approved by auditors. See [HERE](#).

Concerning WE Charity finances, you have said: “And then in 2018, the auditor flagged for the first time that WE Charity was in breach of its bank covenants. That is a massive, massive red flag.”^{vii}

This is a deliberate and disingenuous mischaracterization. Charity Intelligence has been aware since 2019 that the question of WE bank covenants was a non-issue. It is a technicality arising from WE Charity’s change in fiscal year in 2017. As Charity Intelligence knows very well, this is an accounting principle “on paper only”, wherein our lender recognized the situation and willingly waived the respective requirements without any issue or concern on their part. There is no difficulty with WE Charity credit.

Charity Intelligence has unjustifiably questioned WE Charity’s capacity to deliver the CSSG program: “But this was a program is for kids to help them pay for college and university and that’s a network that WE has not developed yet....”^{viii}

Your statement is factually incorrect. WE Charity has established relationships with 7,000 schools and educational groups in Canada. WE Charity also was chosen as the delivering agency for the US College Board, delivering educational service learning programs accessible to over 15,000 schools for the Board’s AP program since 2017.

Concerning WE’s responsiveness to Charity Intelligence, you’ve said: “We contact charities to get information from them on an ongoing basis, and over the last year or so WE has become much less receptive our calls.”^{ix}

Your statement is factually incorrect. The WE staff who have worked with CI staff for a number of years now find this allegation incredibly hurtful, as they have always strived to be friendly and responsive to all CI requests, and provide all requested information as quickly as possible within the limitations of their time and resources. In recent weeks, WE staff have participated in two conference calls, and have sent numerous emails providing responses to all the questions asked by Charity Intelligence staff.

You have unfairly framed WE Charity as litigious, stating: “Anybody who has written any not positive article has faced serious legal threats.”^x

Your statement is factually incorrect. In the past 20-years WE Charity only filed for defamation with one publication: Canadaland for publishing clearly erroneous materials.

We are respectfully asking you to please stop making incorrect, misleading, and incomplete statements when we have repeatedly provided you with accurate information.

Sincerely,

Dalal Al-Waheidi
Executive Director of WE Charity

Scott Baker
Chief Operations Officer

ⁱ Kate Bahen, *Canadalandshow*, July 18

ⁱⁱ Kate Bahen, *Canadalandshow*, July 18

ⁱⁱⁱ Kate Bahen, *CTV News Channel*, July 9

^{iv} Kate Bahen, Greg Thomson, *CTV News Channel*, July 3

^v Kate Bahen, *Showgram*, July 9

^{vi} Kate Bahen, *Global New Radio*, July 14

^{vii} Kate Bahen, *Canadalandshow*, July 18

^{viii} Kate Bahen, Greg Thomson, *CTV News Channel*, July 3

^{ix} Kate Bahen, Greg Thomson, *CTV News Channel*, July 3

^x Kate Bahen, *Evan Solomon Show*, July 16