CMMB’s statement regarding the administrative action from the State of California:

Since 1912, CMMB has been dedicated to increasing access to health for the poor through the delivery of health services, volunteers, and medicines. Our medical donations have reached partners in 123 countries, and have helped millions live healthier lives. Our focus is on ensuring safe delivery of high quality medication to the last mile. CMMB has earned our reputation of excellence in stewardship in the delivery of high quality medical donations in the developing world by upholding the trust and responsibility placed in us by the patients and families we serve as well as the partners who provide resources to support this work.

In March 2018, the California Attorney General’s (CAG) office expressed concern that CMMB, and many other reputable and recognized non-profit organizations with medical donation programs assisting the poor, are valuing certain donated medicines using U.S. wholesale pricing that the AG asserts doesn’t comply with Generally Accepted Accounting Principles (GAAP), leading to a misrepresentation of the organization’s efficiency ratios to California residents. CMMB disagrees with these findings and has filed an appeal with the CAG’s office and the matter is under review.

Quality, accountability, transparency and integrity have been central to all aspects of CMMB’s mission and drive how we conduct our programs and how we reflect that work to our constituencies. CMMB’s nationally-recognized independent accounting firm has certified without qualification that our valuation of medicines and other gifts is in all material respects fairly presented, and complies with Generally Accepted Accounting Principles (GAAP) set by the independent U.S. Financial Accounting Standards Board (FASB) and IRS regulations. CMMB’s valuation method meets high industry standards, including those of the Partnership for Quality Medical Donations (PQMD), a global alliance leading the development and championing of high standards in medical supply and service donations. CMMB’s Forms 990 and audited financial statements are available to the public on our website: https://cmmb.org/financials/

CMMB has the utmost confidence in the integrity of the valuation methodology used by most non-profit organizations with medical donation programs. Like CMMB, many of these organizations have received high ratings by Charity Navigator, but have not yet been the subject of a review by the State of California. CMMB has complied with the CAG’s request to refrain from using certain statements of efficiency and valuation based on our medical donation valuation in our communications to California residents and we continue to conduct outreach activities in the State with the CAG’s approval. We continue to follow the guidance of FASB, GAAP and the IRS, the authoritative governing bodies, as we work towards a solution with the CAG and the broader industry on the concerns raised by this administrative action.

About CMMB – Healthier Lives Worldwide

CMMB (Catholic Medical Mission Board) is an international nongovernmental not-for-profit organization, providing long-term, community-based medical and development aid to communities affected by poverty and unequal access to healthcare. For over a century, CMMB has worked to strengthen and support communities through healthcare programs and initiatives, the deployment of medicines and medical supplies, and the placement of volunteers. Now in its second century and as part of its new global strategic platform, CMMB is focusing on health issues facing women, children and adolescents. CMMB works in collaboration with hundreds of local and international partners to delivery sustainable health services in targeted communities within Africa, Latin America and the Caribbean. To learn more, visit https://cmmb.org.