

# Annual Report 2018

Education and Research  
Foundation of the Better  
Business Bureau of  
Metropolitan New York, Inc.

Educating Charities, Businesses, Young  
Professionals and Consumers:

- Charity Accountability
- Consumer Education & Fraud Prevention
- Corporate Responsibility
- High Standards in Business Practices
- Skill-Building for Volunteer Interns



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## Metro New York's BBB Foundation

In 1967, The Education and Research Foundation of the Better Business Bureau of Metropolitan New York (BBB Foundation) was incorporated as a 501(c)(3) nonprofit organization with an independent board of directors. The BBB Foundation collaborates with Metro New York's BBB to create, fund, and implement special educational programs and research projects on consumer, business and philanthropic issues.

### Mission

Support the Better Business Bureau by defining and promoting ethical business and charity standards and practices in New York.

### Strategic Goals

With the guidance of its Board of Directors, BBB Foundation has established long-term strategic goals to achieve its mission. BBB Foundation activities are regularly evaluated against these goals:

- I: Charities will meet high standards of accountability.
- II: Donors will be empowered to make informed giving decisions and avoid fraud.
- III: Businesses will meet high standards of ethical business conduct.
- IV: Consumers will be empowered to make informed purchase decisions and avoid fraud.
- V: Skills and experiences that can help build ethical leaders in businesses and nonprofits will be provided.
- VI: Organizational capacity will be enhanced through the further development of board, staff, financial resources, partnerships, and collaborations.

### BBB Foundation Impact Snapshot, 2018

- **857** educational event, webinar, and livestream participants
- **769** Metro NY BBB Charity Reports as of year end
- **55** volunteer interns with **7,919** hours of training and service
- **3,746** instances of service through BBB Live programs active in 2018, including debt, student loan, medical debt, and identity theft educational content in English and Spanish
- Tracked **47,045** unique page views for BBB Foundation-related web pages and **54,750** overall page views

# Core Program: Charity Accountability

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BBB Foundation of Metro New York promotes accountability for local charities, helps establish confidence in the sector, and encourages charitable giving in New York. It achieves these goals by:

- publishing BBB Charity Reports on over 769 Metro New York area charities
- informing the public about how to identify accountable charities
- urging potential donors to give generously, and
- helping charities to meet and maintain high standards in their practices.

These BBB charity accountability activities were substantially funded in 2018, in part, through **2,411 voluntary general donations provided by BBB Accredited Businesses** beyond their accreditation fees, as well as by the BBB Accredited Charity Seal program, and by a **generous grant from The New York Community Trust**.

Metro New York's BBB Charity Accountability Program (NYCAP), formerly known as the New York Philanthropic Advisory Service (NYPAS), was launched in 1987. A separate Long Island-focused charity review program began in 1995. These two programs merged at the close of 2000, establishing one of the largest regional BBB charity accountability programs in the country. In 2017, NYCAP began providing charity evaluation services to the BBB of Upstate New York; as a result, it now develops BBB Charity Reports for the whole state of New York, and it also provides Charity Reports for Connecticut upon request.

Each year, BBB Foundation program staff members review hundreds of financial statements, tax filings, annual reports, websites, digital and printed solicitations, direct mail pieces, and other information from charities all over New York State. This voluntarily disclosed information is evaluated, to determine whether a charity meets the 20 BBB Standards for Charity Accountability. BBB Foundation then produces a BBB Charity Report with the findings and a summary of the charity's mission, activities, governance, and key financial information. A total of approximately 11,000 BBB Charity Reports are available online at [ny.give.org](http://ny.give.org), [give.org](http://give.org), [newyork.bbb.org](http://newyork.bbb.org) and [bbb.org](http://bbb.org).

BBB Foundation's charity accountability program also monitors issues affecting the local nonprofit community and provides public education on charitable management and philanthropic issues through events, alerts, media interviews, consultations with government regulators and nonprofit associations, published articles, speaking engagements and active participation in nonprofit convenings. Media, businesses, associations, government agencies, and other nonprofits regularly call upon BBB to provide expert insights on charity accountability issues.

## BBB Educational Programs for Nonprofits

Throughout the year, BBB Foundation offers educational conferences, workshops and webinars. These programs are intended to inform charity and philanthropy leaders about the latest issues and practices relating to charity impact and effectiveness. In addition, BBB Foundation conducts a series of free live workshops and online webinars about the BBB Standards for Charity Accountability. The goal is to help charity leaders, advisors and others understand how charities can meet the BBB's comprehensive performance standards and learn why these recommended practices are beneficial for charities.

## BBB Charity Effectiveness Program Series

In 2018, we were honored to have the support of **American Express** (Patron Sponsor), **The New York Community Trust** (Major Sponsor), and **JMT Consulting Group** (Benefactor Sponsor) as generous overall co-sponsors of our twelfth Charity Effectiveness Symposium and related efforts in this program series. BBB Foundation was also fortunate to be able to present four special workshops for charities in this program series, with generous sponsorship from **EisnerAmper LLP** and **American Express**.

### Summary of activities:

- **BBB Charity Effectiveness Symposium XII, February 27, 2018:** The BBB Foundation's twelfth Charity Effectiveness Symposium, entitled **Dealing with Disruption, Framing Leadership Strategies for the Future**, was presented at the Baruch College Conference Center, with the vital input of our Program Committee members, and attendance promotion collaboration from 18 nonprofit organizations. There were 259 event registrants, including speakers. On the event day, we noted attendance by 209 participants (193 of them attendees and speakers), including charity executives, philanthropic leaders, consultants, staff and other interested parties.
- **Workshop, March 27, 2018:** With sponsorship from EisnerAmper LLP, the BBB Foundation presented **Raising Your Budgeting Game, Making the Most of your Key Management Tool**. This workshop focused on how to evaluate and update budgeting practices in response to 2018 nonprofit accounting changes. Presenters were Candice Meth, CPA, Partner, Not-for-Profit Services of EisnerAmper LLP, and Timothy Schroeder, CPA, Manager, Not-for-Profit Services of EisnerAmper LLP. This program was held at Scandinavia House in Manhattan. The Association of Nonprofit Specialists, Center for Nonprofit Leaders at Fordham University, Foundation Center of New York, Human Services Council, Milano School of Policy, Management and the Environment, Nonprofit Coordinating Committee of New York, NYCharities.org, Staten Island-Not-for-Profit Association and Support Center served as this workshop's Event Supporters. There were 114 registrants and 87 attendees, including speakers but not including staff.
- **Workshop, April 24, 2018:** With sponsorship from EisnerAmper LLP, the BBB Foundation presented **Designing Internal Controls, Identifying Risk is Half the Battle**. Presenters were Candice Meth, CPA, Partner, Not-for-Profit Services and Timothy Schroeder, CPA, Manager, Not-for-Profit Services, from EisnerAmper LLP. This workshop focused on methods to implement and strengthen control processes for nonprofits in order to enhance program effectiveness and reliability of financial reporting. The Association of Nonprofit Specialists, The Center for Nonprofit Leaders at Fordham University, The Foundation Center, Human Services Council, Milano School of Policy, Management and the Environment, The Nonprofit Coordinating Committee of New York, NYCharities.org and Staten Island Not-For-Profit were Event Supporters. This workshop attracted 96 registrants and speakers, of which 70 attended, not including staff.
- **Workshop, September 12, 2018:** With sponsorship from American Express, the BBB Foundation presented **Before, During, and After, Planning and Navigating Successful Executive Transitions**. Jennifer Jones Austin, Esq., Chief Executive Officer and Executive Director, The Federation of Protestant Welfare Agencies, moderated a panel composed of the following speakers: Miguel Bonilla, Senior Director of Capacity Building at NYC Department of Youth and Community Development; Rehana Farrell, Executive Director of Youth INC; Janelle Farris, Executive Director and President of Brooklyn Community Services; and James

Matson, Former Executive Director of Brooklyn Kindergarten Society. The panel discussed strategies for developing and implementing succession plans for executive changes, and how to best handle the process of onboarding new organizational leadership. The Baruch College Marxe School of Public and International Affairs and the NYC Department of Youth and Community Development served as Event Supporters. There were 86 registrants and 65 attendees, including the speakers but not including staff.

- **Workshop, October 30, 2018:** With sponsorship from American Express, the BBB Foundation presented **Building a Stronger Board, Developing Leadership to Meet Future Challenges**. Sheena Wright, President and CEO of United Way of New York City, moderated a panel composed of the following speakers: Gregory Cohen, Associate Director of Cause Effective; Evan M. Kingsley, Partner at Plan A Advisors; Lori Lichtman, Director of Development of Citizens Committee for New York City; and Vernetta Walker, President and CEO of Walker & Associates Consulting. Panelists discussed how their organizations have fostered high performing boards through leadership development plans and governance issue resolution. The Human Services Council of New York, The Nonprofit Coordinating Committee of New York, The NYC Department of Youth and Community Development, NYCharities.org and The Support Center were Event Supporters. This workshop attracted 124 registrants and speakers, of which 81 attended, not including staff.
- **Website Update; Email Promoting 2018 Symposium Video & Whitepaper to be distributed in early January 2019:** The online resource at [newyork.bbb.org/charityeffectiveness](http://newyork.bbb.org/charityeffectiveness), entitled **Learn About Charity Effectiveness**, has been updated with new content including links to the 2018 videos, as well as content from prior Symposium events, plus selected resources related to charity effectiveness issues. The 2018 videos and updated website resource were promoted to Metro NY area charities and other BBB organizations through an email, issued on February 15, 2019. A whitepaper summary of this program was completed and posted to the website.

## BBB Charity Effectiveness Symposium, February 27, 2018



*James G. Sheehan, Chief, Charities Bureau, New York State Office of the Attorney General, provided Opening Remarks.*



*Framing Leadership Strategies for the Future panelists, L to R: Doug Bauer, Executive Director, The Clark Foundation; Jessica L. Cavagnero, Partner, SeaChange Capital Partners; Hilda H. Polanco, Founder and CEO, Fiscal Management Associates; Michelle Yanche, Associate Executive Director for Government and External Relations, Good Shepherd Services.*

**98% of Symposium survey respondents who answered the question said they would use information from the program in their work.**



**KEYNOTE CONVERSATION: Fostering Disruptors**  
 panelists, with **Claire Rosenzweig, President and CEO, BBB Metro New York; Teresa C. Younger, President and CEO, Ms. Foundation for Women; and James Krauskopf, Distinguished Lecturer and Director, Baruch College Center for Nonprofit Strategy and Management**

**Next Gen Philanthropy panelists, L to R: Ronna Brown, President, Philanthropy New York; Adina Schwartz, Director of Client Engagement, 21/64; Bianca D. Alston, Program Officer, The New York Women's Foundation; Gay Young, Vice President of Donor Services, the New York Community Trust**

## Learn About Charity Effectiveness Website Resource: [newyork.bbb.org/charityeffectiveness](http://newyork.bbb.org/charityeffectiveness)

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### LEARN ABOUT CHARITY EFFECTIVENESS

**BBB Resources for Nonprofit Executives**  
 Education and Research Foundation  
 of the Better Business Bureau of Metropolitan New York

#### 2018 Charity Effectiveness Symposium

**Dealing with Disruption: Framing Leadership Strategies for the Future**

Keynote remarks by: Teresa C. Younger, President & CEO, Ms. Foundation for Women.

Question Moderator: James A. Krauskopf, Distinguished Lecturer and Director, The Center for Nonprofit Strategy and Management, Baruch College – Austin W. Marx School of Public and International Affairs.

WATCH NOW »

|  |  |   |
|--|--|---|
| <p style="font-weight: bold; margin: 0;">2017</p> <p style="font-weight: bold; margin: 0;">Driving Mission Through Changing Times</p> <p style="font-size: x-small; margin: 0;">Keynote conversation moderated by George Packer, Author, National Book Award Winner (for The Unwinding), Contributor at The New Yorker.</p> <p style="text-align: right; font-size: x-small; margin: 0;">WATCH NOW »</p> | <p style="font-weight: bold; margin: 0;">2016</p> <p style="font-weight: bold; margin: 0;">Transitions: Leadership Development, New Challenges &amp; Evolving Business Models</p> <p style="font-size: x-small; margin: 0;">Keynote address delivered by Hilary Pennington, Vice President, Education, Creativity, and Free Expression, Ford Foundation</p> <p style="text-align: right; font-size: x-small; margin: 0;">WATCH NOW »</p> | <p style="font-weight: bold; margin: 0;">2015</p> <p style="font-weight: bold; margin: 0;">Designing the Future</p> <p style="font-size: x-small; margin: 0;">Keynote address delivered by Karen L. Rosa, Vice President and Executive Director, Altman Foundation</p> <p style="text-align: right; font-size: x-small; margin: 0;">WATCH NOW »</p>                                 |
| <p style="font-weight: bold; margin: 0;">2014</p> <p style="font-weight: bold; margin: 0;">Re-Imagining Impact Leadership Strategies for Greater Results</p> <p style="font-size: x-small; margin: 0;">Keynote address delivered by Melissa Berman, President &amp; CEO, Rockefeller Philanthropy Advisors</p> <p style="text-align: right; font-size: x-small; margin: 0;">WATCH NOW »</p>              | <p style="font-weight: bold; margin: 0;">2013</p> <p style="font-weight: bold; margin: 0;">Resilient New York: How Nonprofit Leaders are Managing the Unexpected</p> <p style="font-size: x-small; margin: 0;">Keynote address delivered by Sheena Wright, President and CEO, United Way, New York City</p> <p style="text-align: right; font-size: x-small; margin: 0;">WATCH NOW »</p>   | <p style="font-weight: bold; margin: 0;">2012</p> <p style="font-weight: bold; margin: 0;">Thinking Out of the Box: Meeting Challenges with Creative Leadership</p> <p style="font-size: x-small; margin: 0;">Keynote address delivered by Maria Mottola, Executive Director, New York Foundation.</p> <p style="text-align: right; font-size: x-small; margin: 0;">WATCH NOW »</p> |
| <p style="font-weight: bold; margin: 0;">2011</p>  | <p style="font-weight: bold; margin: 0;">2010</p>  | <p style="font-weight: bold; margin: 0;">Prior to 2010</p>  |

# Charity Effectiveness Series Workshops



**Timothy Schroeder, CPA and Candice Meth, CPA of EisnerAmper LLP speak at the *Raising Your Budgeting Game* workshop.**



**Candice Meth, CPA and Timothy Schroeder, CPA of EisnerAmper LLP speak at the *Designing Internal Controls* workshop.**



**(From L to R): Jennifer Jones Austin of the Federation of Protestant Welfare Agencies, Miguel Bonilla of NYC Department of Youth and Community Development, Rehana Farrell of Youth INC, Janelle Farris of Brooklyn Community Services, and James Matison of Brooklyn Kindergarten Society share insights at the *Before, During, and After Executive Succession* workshop.**



**(From L to R): Sheena Wright of United Way NYC, Gregory Cohen of Cause Effective, Lori Lichtman of Citizens Committee for New York City, Evan Kingsley of Plan A Advisors, and Vernetta Walker of Walker & Associates Consulting share insights at the *Building a Stronger Board* workshop**

## **BBB Charity Standards Briefings**

In 2018, BBB Foundation continued its series of no-cost workshops about the BBB Standards for Charity Accountability. These programs are presented to groups of nonprofit leaders, board members and consultants, often in the BBB's own conference room.

When invited to do so, BBB Foundation will also present programs at no-cost for audiences recruited by other organizations. There were 6 Standards programs in 2018, with 124 attendees in all. Additional workshops and webinars are taking place in 2019.

At each session, BBB staff members provide a comprehensive look at the Standards, offering guidance about how to meet each one, and additional related information. Charity leaders are encouraged to ask questions and provide feedback about the Standards at such programs. Interesting questions and insights from attendees are provided to the BBB Wise Giving Alliance board of directors for their consideration.



## 2018 BBB Charity Standards Workshops

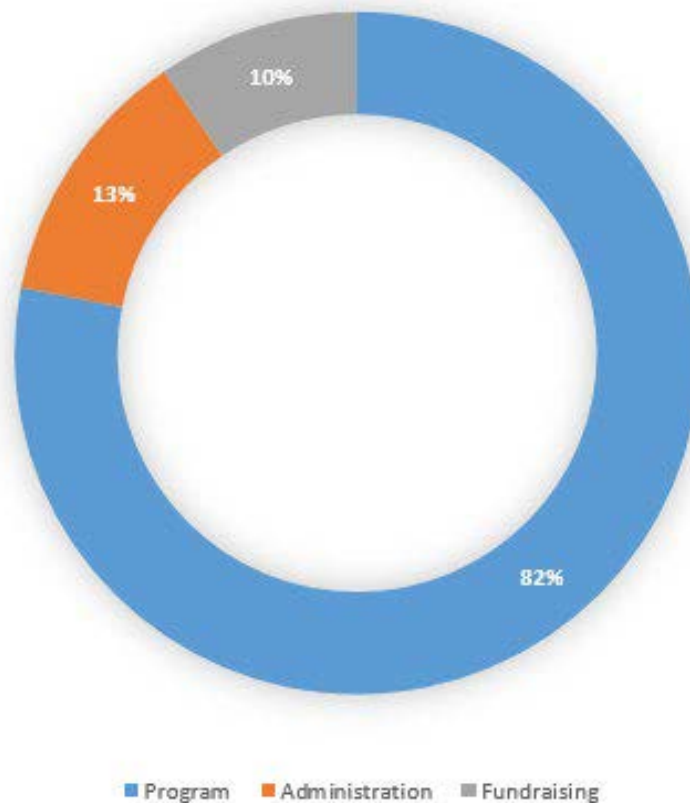
|                          |   |
|--------------------------|---|
| <b>February 8, 2018</b>  | Workshop - at BBB in NYC (11 attendees) |
| <b>March 14, 2018</b>    | Webinar (24 attendees)                  |
| <b>July 11, 2018</b>     | Workshop - at BBB in NYC (24 attendees) |
| <b>August 22, 2018</b>   | Webinar (29 attendees)                  |
| <b>October 18, 2018</b>  | Workshop - at BBB in NYC (11 attendees) |
| <b>December 12, 2018</b> | Webinar (25 attendees)                  |

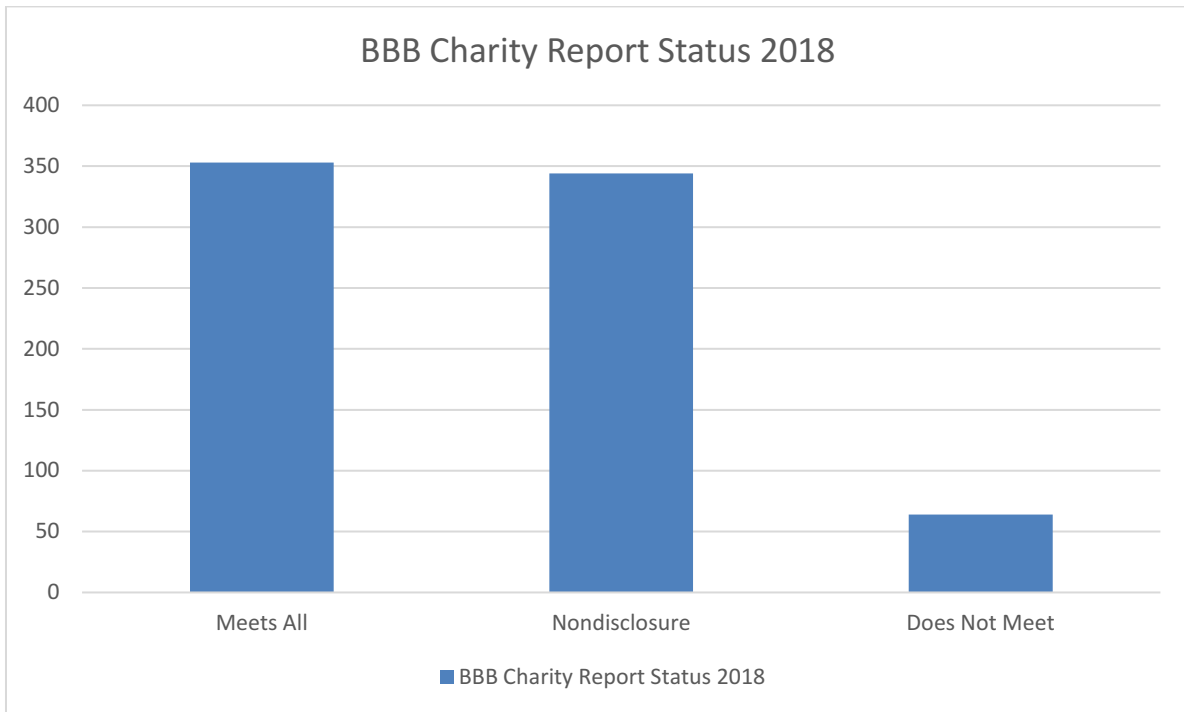
## Overview of Charity Accountability Program, 2018

**769 Reviewed Organizations**

**425 Complete Evaluations**

### Average % of Total Spent by Charities

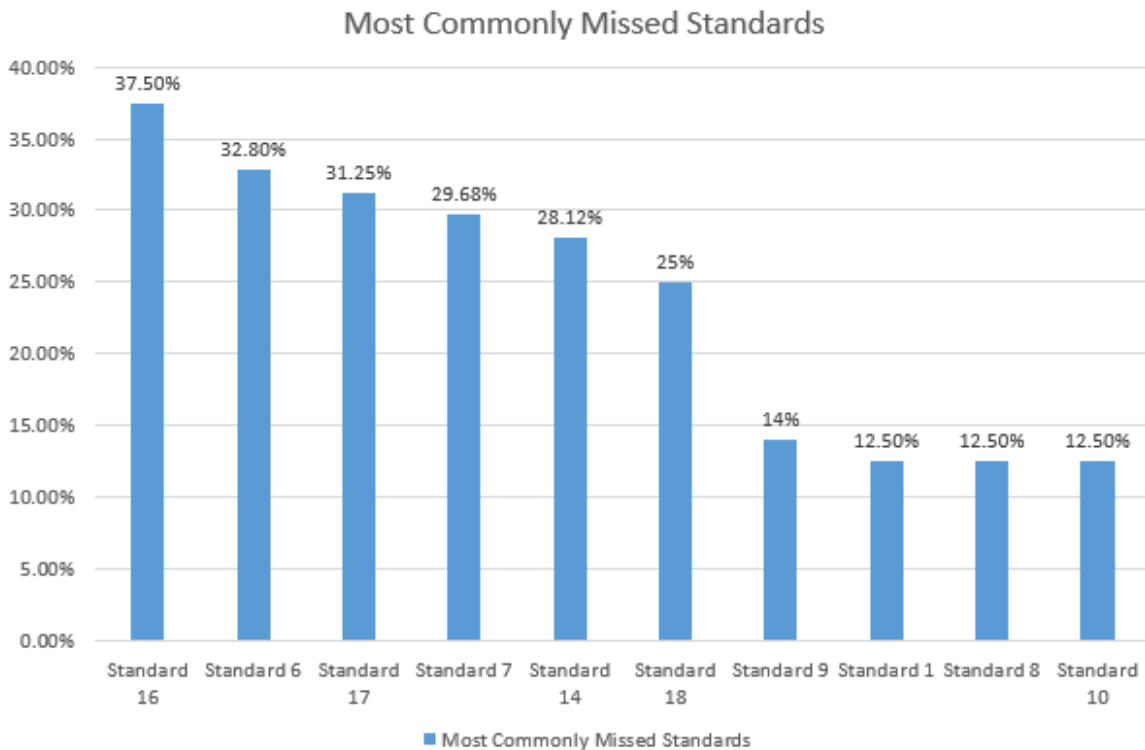




Of the 425 charities given complete reviews, 353 (83%) met all Standards vs. 82% in 2017; 64 (15%) failed one or more Standards vs. 18% in 2017. Out of 769 total reports, 344 (45%) were Nondisclosure reports.

**Nondisclosure** means the charity failed or declined to respond to BBB requests for information.

## BBB Standards Missed by Evaluated Charities, 2018



## Top 10 Most Commonly Missed BBB Standards

**16. Annual Report.** Have an annual report available to all, on request, that includes: (a) the organization's mission statement, (b) a summary of the past year's program service accomplishments, (c) a roster of the officers and members of the board of directors, (d) financial information that includes (i) total income in the past fiscal year, (ii) expenses in the same program, fund raising and administrative categories as in the financial statements, and (iii) ending net assets. (24)

**6. Effectiveness Assessment Policy.** Have a policy of assessing, no less than every two years, the organization's performance and effectiveness, and determining future actions required to achieve its mission. (21)

**17. Website Disclosures.** Include on any charity websites that solicit contributions, the same information that is recommended for annual reports, as well as the mailing address of the charity and electronic access to its most recent IRS Form 990. (20)

**7. Effectiveness Reporting to Governance.** Submit to the organization's governing body, for its approval, a written report that outlines the results of the aforementioned performance and effectiveness assessment and recommendations for future actions. (19)

**14. Board-Approved Budget.** Have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fund raising, and administration. (18)

**18. Address privacy concerns of donors** by (1) providing in written appeals, at least annually, a means (e.g., such as a check off box) for both new and continuing donors to inform the charity if they do not want their name and address shared outside the organization, and (2) providing a clear, prominent and easily accessible privacy policy on any of its websites that tells visitors (i) what information, if any, is being collected about them by the charity and how this information will be used, (ii) how to contact the charity to review personal information collected and request corrections, (iii) how to inform the charity (e.g., a check off box) that the visitor does not wish his/her personal information to be shared outside the organization, and (iv) what security measures the charity has in place to protect personal information. (16)

**9. Fundraising Expenses.** Spend no more than 35% of related contributions on fundraising. Related contributions include donations, legacies and other gifts received as a result of fundraising efforts. (9)

**1. Oversight.** A board of directors that provides adequate oversight of charity's operations and staff. (8)

**8. Program Activities Expenses.** Spend at least 65% of the organization's total expenses on program activities. (8)

**10. Unrestricted Ending Net Assets.** Avoid accumulating funds that could be used for current program activities. To meet this standard, the charity's unrestricted net assets available for use should not be more than three times the size of the past year's expenses or three times the size of the current year's budget, whichever is higher. (8)

*Note: Individual charities may have missed more than one of these Standards. Counts therefore do not add up to total number of charities that failed BBB Standards.*

*Standard 10 is a notable new inclusion on this list.*

# Over \$5 Billion

Total publicly-solicited *contributions* revenue received by charities reported on by Metro NY BBB Foundation, 2018

## Analysis of BBB Charity Report Data

### Field/Focus Area

The charity categories that were included in 2018 Metro New York BBB Charity Reports are listed below from largest to smallest (excludes nondisclosure reports):

| Category                      | Number<br>(N=422) | Percent |
|-------------------------------|-------------------|---------|
| Health & Human Services       | 167               | 39%     |
| Children, Youth & Families    | 73                | 17%     |
| Arts & Culture                | 50                | 12%     |
| Community Development & Civic | 49                | 11%     |
| Education & Literacy          | 27                | 6%      |
| Animals & the Environment     | 26                | 6%      |
| Law & Public Interest         | 12                | 3%      |
| Police and Firefighter        | 6                 | 1%      |
| Religious                     | 5                 | 1%      |
| General                       | 4                 | 1%      |
| Veterans & the Military       | 3                 | .1%     |

### Regional Breakdown (includes *all* charities covered in 2018 Metro NY reports)

- **563 (73%)** of the charities are from the 5 boroughs of New York City
- **141 (18%)** of the charities are located in Long Island
- **63 (8%)** of the charities are located in the Mid-Hudson Region
- **2 (.26%)** of the charities are located in New Jersey

### Governance Breakdown

- Average number of board members for organizations covered: **21**
- Average number of board meetings per year: **5**
- Average attendance of board members at board meetings: **71%**

### Gender Breakdown

- **43%** were headed by male CEOs and **57%** by female CEOs
- **65%** of the Boards of Directors were headed by a male Board Chair and **35%** by a female Board Chair

### Total Public Support (includes donations, corporate and government grants, in-kind services)

- The total amount of public support received: **\$5,057,325,809 (\$5 billion+)**
- The average of total public support received: **\$11,984,184**

## BBB Charity Reports

**New York Website Addresses:** [ny.give.org](http://ny.give.org), [newyork.bbb.org](http://newyork.bbb.org)  
**International Websites:** [give.org](http://give.org), [bbb.org](http://bbb.org)

Donors and the general public can find *all* BBB Charity Reports by name and location through searches at either local or international BBB websites. As of December 2018, there were 769 Metro New York area BBB charity reports, and about 1,400 national BBB charity reports available through BBB websites. About 11,000 national and local BBB charity reports are available across the BBB system.

BBB Foundation is currently focusing its *proactive* efforts to develop BBB Charity Reports on Metro New York charities that meet the following description:

- Publicly soliciting charities, at least three years in business, located in our reporting territory: New York City, Long Island, or the following counties of the Mid-Hudson Region - Westchester, Dutchess, Putnam, Rockland, Sullivan, Ulster, and Orange.
- Charities that are of significant public interest, indicated by factors such as (but not limited to) the following:
  - Charity requests a BBB Charity Report
  - BBB has received inquiries or complaints about the charity in question
  - Charity has received \$250,000 or more in *publicly solicited donations*
  - Charity is the subject of significant media or donor attention
  - Indications that a charity's activities raise questions and merit investigation

Smaller publicly soliciting charities with at least \$25,000 or more in publicly solicited donations may voluntarily request a BBB Charity Report. BBB may also report on smaller or newer charities if they appear to be of significant public interest.

## Tracked Public Use of BBB Charity-Related Information and Foundation Projects on Website

We observed an estimated **47,045 unique page views** and **54,750 overall page views** for BBB Foundation content pages, including charity-related web pages, at [newyork.bbb.org](http://newyork.bbb.org) from January 1 – December 31, 2018. This total includes *trackable* Google Analytics statistics for information about the BBB Charity Accountability Program, the BBB Standards for Charity Accountability, BBB Charity Reports, the BBB Charity Seal and related Guide, resource information in the *Learn About Charity Effectiveness* and *Scam Job Offers* educational mini-sites, events for charity leaders, consumer education content in both English and Spanish, and information for donors.

## BBB Accredited Charity Seal

As of December 2018, the Metro NY BBB Accredited Charity Seal program included **197 participating charities**. Only charities that have first met all BBB Standards upon evaluation are eligible to participate in the additional, voluntary BBB Seal program.



The BBB Accredited Charity Seal symbolizes accountability in charities. The BBB Seal provides a quick-check, easy-to-understand communications tool for the benefit of both charities and donors. It captures complex numbers, facts, and policies in a widely-recognized and valued symbol, instantly showing that a charity has met all 20 of the BBB's Standards for Charity Accountability. Organizations seeking to become a BBB Accredited Charity Seal Holder must first participate in a BBB Standards evaluation. **There is no cost for the evaluation or to be accredited.**

Charities have the ability to log in to their individual, online platform to submit materials related to governance, measuring effectiveness, financial, and fundraising information. The resulting BBB Charity Report includes a determination about the charity's performance measured against the 20 BBB Standards for Charity Accountability, as well as a summary of the organization's mission, programs, governance and key financial information.

**Charities that meet all 20 BBB Standards for Charity Accountability are automatically noted as BBB Accredited on BBB websites at no cost.**

BBB Accredited Charity Seal participation is an optional program, *exclusively* available for charities that first meet all BBB Standards in a BBB evaluation. Eligible BBB Accredited charities that choose to license the BBB Seal for fundraising and marketing purposes are asked to sign a formal agreement specifying how the trademarked BBB Seal may be used, and pay a sliding-scale licensing fee, based on the organization's fundraising revenue. The Metro New York BBB Seal fee ranges from \$50 to \$1,100 annually for most organizations, up to \$5,500 at most. The maximum fee of \$5,500 is for very large organizations with public contributions of over \$60 million.

Seal participants may display the Seal in transient advertising and solicitations such as newspaper ads, posters, direct mail appeals, in annual reports, and on letterhead stationery. Seal participants may also install the Seal anywhere on the local charity's primary website, on any website where the local charity advertises, and in emails provided the Seal clicks to the online BBB charity report.

As a benefit of Seal program participation, at no extra cost, BBB Charity Seal Holders in good standing at the time of publication are recognized in BBB-sponsored ads during the spring season as well as holiday giving time near the end of the year. Seal Holders are recognized in the year-round NY BBB Accredited Charity Seal Holders landing page at [newyork.bbb.org](http://newyork.bbb.org) and [ny.give.org](http://ny.give.org).

**LOOK FOR THE SEAL.**  
[ny.give.org](http://ny.give.org)  
 Look for the BBB Accredited Charity Seal and Give With Trust!  
 It's your assurance that the charity meets the rigorous 20 BBB Standards for Charity Accountability.

**1. Mission Statement**  
 The charity has a clear, concise mission statement that is readily available to the public.

**2. Financial Information**  
 The charity provides financial information to the public, including a copy of its audited financial statements.

**3. Board of Directors**  
 The charity has a board of directors that is independent of the charity's management and is responsible for the charity's overall operations.

**4. Governance**  
 The charity has a set of governing documents, including bylaws and a code of ethics, that are readily available to the public.

**5. Fundraising**  
 The charity has a fundraising program that is transparent and ethical, and that complies with applicable laws and regulations.

**6. Program Services**  
 The charity provides program services that are effective and efficient, and that are consistent with its mission statement.

**7. Financial Stability**  
 The charity is financially stable and has a sound financial plan for the future.

**8. Transparency**  
 The charity is transparent in its operations and provides information to the public about its activities and finances.

**9. Accountability**  
 The charity is accountable to the public and provides a mechanism for the public to provide feedback and complaints.

**10. Compliance**  
 The charity complies with applicable laws and regulations, including those related to fundraising and program services.

**11. Ethics**  
 The charity has a code of ethics that guides its operations and ensures that it acts in the best interests of the public.

**12. Financial Reporting**  
 The charity provides financial reports to the public that are accurate and complete.

**13. Program Evaluation**  
 The charity evaluates its program services to ensure that they are effective and efficient.

**14. Fundraising Transparency**  
 The charity provides information to the public about its fundraising activities, including the amount of funds raised and how they are used.

**15. Board Independence**  
 The charity's board of directors is independent of the charity's management and is responsible for the charity's overall operations.

**16. Governance Documents**  
 The charity has a set of governing documents, including bylaws and a code of ethics, that are readily available to the public.

**17. Fundraising Ethics**  
 The charity has a fundraising program that is transparent and ethical, and that complies with applicable laws and regulations.

**18. Program Effectiveness**  
 The charity provides program services that are effective and efficient, and that are consistent with its mission statement.

**19. Financial Soundness**  
 The charity is financially sound and has a sound financial plan for the future.

**20. Transparency and Accountability**  
 The charity is transparent in its operations and provides information to the public about its activities and finances.

**Look for the Better Business Bureau® Accredited Charity Seal.**  
 The BBB Accredited Charity Seal is a symbol of accountability and trust. It is awarded to charities that meet all 20 of the BBB Standards for Charity Accountability. For more information, visit [ny.give.org](http://ny.give.org).

The two-page BBB Charity Seal Holder ad as it appeared in the *New York Daily News*, November 2018.

## Give With Trust<sup>SM</sup> BBB Charity Information PSA Campaign Re-Issued in 2018

With generous professional assistance contributed by Conversation LLC, the BBB Foundation created and launched a new *Give With Trust* series of PSAs for television, radio, print and digital media. The campaign was initiated in 2012, and re-issued during holiday time in subsequent years, including 2018. We will encourage additional PSA placements for these messages in 2019.



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## Consumer Education in English and Spanish

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In 1999, the BBB Foundation created the Latino Business and Consumer Education Initiative. Through this long-term initiative, the Foundation seeks to promote consumer fraud prevention for Hispanics and raise awareness of key issues that affect Latino consumers, businesses and charities in New York.

Projects such as ***BBB Live: Scam Job Offers***, ***BBB Live: Take Control of Your Debt***, ***BBB Live: Student Loans – Study Your Options!***, ***BBB Live: Apply the Brakes to Unfair Auto Loans***, ***BBB Live: Managing Your Medical Debt***, ***BBB Live: Identity Theft-Could It Happen to You?***, ***BBB Live: Protecting Your Home***, and ***Get More Money Now***, are some of our programs related to this initiative.

# BBB Live

## *Ofertas de empleos fraudulentas Scam Job Offers*

**November 14, 2018**



WXTV Univision 41 Reporter Berenice Gartner, broadcasted live from BBB-Metro NY, while Spanish-speaking volunteers (shown in photo) assisted consumers who called to ask about employment fraud and sources to find legitimate job listings.

On November 14, 2018, the BBB Foundation presented its ninth “BBB Live” program for Spanish speakers in collaboration with Univision 41 A Tu Lado and with generous sponsorship by MLB Advanced Media. The program *Scam Job Offers / Ofertas de empleos fraudulentas* provides useful tips to the public about how to avoid employment scams, as well as information about finding legitimate job listings. Given the unusually light call volume for this year’s project, to increase outreach, the educational content was also posted and heavily promoted on the BBB.org website at <https://www.bbb.org/new-york-city/scam-job-offers> and <https://www.bbb.org/new-york-city/empleos-fraudulentos/> - subsequently generating thousands of views.

Bilingual volunteers assisted consumer callers in Spanish, offered to provide them with debt tips in Spanish if they provided contact information, and referred callers to additional sources of qualified help. All volunteers were trained to answer calls and were provided with resource materials to use when assisting consumer callers.

### **Total Consumer Calls & Follow-Ups: 35**

- Consumer inquiries handled only by telephone, November 15: 32
- Follow-ups at consumer request with further information about employment fraud sent in Spanish by email or mail: 18
- Call-backs completed: 3



## Volunteers

All the shifts were well staffed, including the all-important final shift. To make the most of precious volunteer time, the shift times were updated to ensure that volunteers would be present when the most calls could be expected.

Of the 18 volunteers (of 40 pre-registered) who answered calls during the 2018 BBB Live event, 8 of them came from TD Bank. Participating volunteers came from the following companies and organizations:

- Acacia Network
- Agape Luxury Corp.
- Baruch College
- Becket
- Domus Solutions Corp.
- IBM
- IPRHE
- LGW
- Lantern Investments
- MBAF
- Women4Changes, Inc.
- TD Bank



L to R: Dawn Carrillo of TD Bank, Claire Rosenzweig of BBB, Berenice Gartner of Univision, and Luana Lewis of BBB



Berenice Gartner of Univision filmed two Facebook livestreams, which together gathered over 5,300 views

## Additional 2018 Results from Previous BBB Live Programs

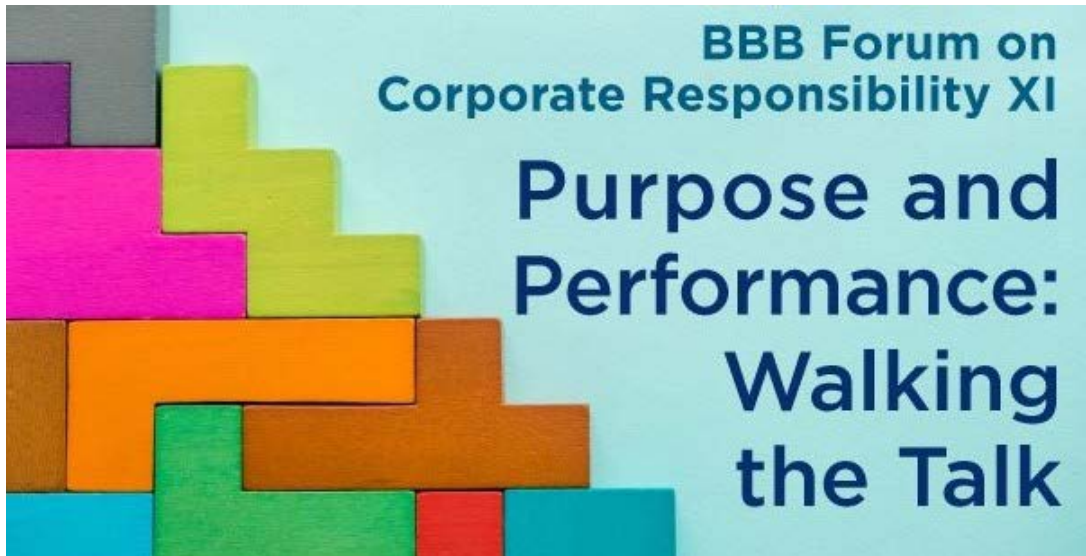
- Job Scam-related BBB Live Content from 2018 and prior years *in English* received **516** unique page views in 2018 (630 total page views). By 6/7/2019, the total had reached **4,272** unique page views (4,611 total).
- Job Scam-related BBB Live Content from 2018 and prior years *in Spanish* received **284** unique page views in 2018 (350 total page views). By 6/7/2019, the total had reached **299** unique page views (341 total).
- Debt-related BBB Live content from prior years *in English* received **1,319** unique page views in 2018 (1,405 total page views).
- Debt-related BBB Live content from prior years *in Spanish* received **438** unique page views in 2018 (495 total page views).
- Student loan-related BBB Live content from prior years *in English* received **801** unique page views in 2018 (896 total page views).
- Student loan-related BBB Live content from prior years *in Spanish* received **295** unique page views in 2018 (326 total page views).
- Identity theft-related BBB Live content from prior years *in English* received **42** unique page views in 2018 (63 total page views).
- Identity theft-related BBB Live content from prior years *in Spanish* received **19** unique page views in 2018 (21 total page views).

**Total Tracked Instances of Service, BBB Live Programs Active in 2018: 3,746**

## Education for Businesses

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### BBB Forum on Corporate Responsibility XI June 12, 2018



BBB Foundation of Metro New York is grateful to our generous sponsors of BBB Forum 2018: Major Sponsor **EY**; and Benefactor Sponsors **MLB Advanced Media**, **Nielsen**, and **Yext**. **3BL Media** was the event's Media Supporter, and an additional 18 organizations provided Event Support to generate awareness and attendance.

An attentive crowd of 117 attendees and speakers filled the Victor Borge Hall at Scandinavia House in New York City at the June 12, 2018 BBB Forum on Corporate Responsibility (out of 141 non-staff registrants, a high 83% attendance rate). Attendees included senior executives from major corporations, business associations, consulting firms, nonprofits, academic institutions, media organizations, and BBB staff.



BBB Forum 2018 Keynote Speaker Rich Goode, Executive Director, Climate Change and Sustainability Services, EY.

Keynote speaker **Rich Goode, Executive Director, Climate Change and Sustainability Services, EY**, provided participants with an insightful talk entitled "Measuring What Matters: An Incomplete Journey." His presentation provided an in-depth review of business risk metrics and value assessment trends.



Performance and Purpose panel, L to R: Laura Gitman, Senior Vice President, BSR, *Moderator*; Jonathan Atwood, Vice President, Sustainable Business & Communications; Heidi DuBois, Global Head of Corporate Social Responsibility and Social Finance, BNY Mellon; and Amanda Gardiner, Vice President, Global Sustainability and Social Innovation, Pearson plc.



Mike Fisher, Chief Technology Officer, Etsy, discussed keeping commerce “human” through technology.



Ilyssa Meyer, Manager, Public Policy and Research, Etsy, shared insights about Etsy’s corporate responsibility journey through the lens of public policy.



Daniel Aronson, Founder, Valutus, discussed monetizing the business value of operating with purpose.



Roger Osorio, Executive Coach & Program Leader, IBM, provided insights on identifying and measuring CSR goals to solve problems and get results.

# Skill-Building Volunteer Intern Program

## How the Program Works

Our BBB Foundation is proud to maintain an ongoing, extensive internship program. We provide charity accountability program interns with nonprofit accounting insights and an overview of the nonprofit sector in New York, as well as invaluable details about the management and governance of charities. Many other interns under our Foundation's program acquire valuable career skills by assisting with BBB dispute resolution and customer service activities.

## Volunteer Intern Program Activities in 2018

In 2018 our Volunteer Intern Program activities continued to be strong:

- There were 55 interns in all for the 2018 year
- Volunteer interns contributed 7,919 hours of training and service
- Cases/reports completed with intern assistance totaled 32,996

## Development of Volunteer Intern Program Over 3 Years

Our Skill-Building Volunteer Intern Program has become a year-round effort, although summer remains a peak period for program activities. BBB Foundation has enhanced its focus on providing even richer and more varied educational experiences to interns through the Volunteer Intern Program.

| Intern Hours for 2018 |                          | Number of 2018 Interns |                          | Cases/Reports Assisted by Interns in 2018 |                          |
|-----------------------|--------------------------|------------------------|--------------------------|---|--------------------------|
| 1,746                 | Charity Accountability   | 14                     | Charity Accountability   | 158                                       | Charity Accountability   |
| 5,870                 | NYC (Dispute Resolution) | 36                     | NYC (Dispute Resolution) | 28,354                                    | NYC (Dispute Resolution) |
| 303                   | Mid-Hudson               | 5                      | Mid-Hudson               | 4,484                                     | Mid-Hudson               |
| <b>7,919</b>          | <b>Total</b>             | <b>55</b>              | <b>Total</b>             | <b>32,996</b>                             | <b>Total</b>             |

| Intern Hours for 2017 |                          | Number of 2017 Interns |                          | Cases/Reports Assisted by Interns in 2017 |                          |
|-----------------------|--------------------------|------------------------|--------------------------|---|--------------------------|
| 1,624                 | Charity Accountability   | 13                     | Charity Accountability   | 106                                       | Charity Accountability   |
| 5,136                 | NYC (Dispute Resolution) | 39                     | NYC (Dispute Resolution) | 25,304                                    | NYC (Dispute Resolution) |
| 438                   | Mid-Hudson               | 7                      | Mid-Hudson               | 754                                       | Mid-Hudson               |
| <b>7,198</b>          | <b>Total</b>             | <b>59</b>              | <b>Total</b>             | <b>26,164</b>                             | <b>Total</b>             |

| Intern Hours for 2016 |                          | Number of 2016 Interns |                          | Cases/Reports Assisted by Interns in 2016 |                          |
|-----------------------|--------------------------|------------------------|--------------------------|---|--------------------------|
| 2,022                 | Charity Accountability   | 15                     | Charity Accountability   | 149                                       | Charity Accountability   |
| 5,841                 | NYC (Dispute Resolution) | 33                     | NYC (Dispute Resolution) | 22,451                                    | NYC (Dispute Resolution) |
| 325                   | Mid-Hudson               | 4                      | Mid-Hudson               | 420                                       | Mid-Hudson               |
| 80                    | Programs & Marketing     | 2                      | Programs & Marketing     | n/a                                       | Programs & Marketing     |
| 355                   | Business Relations       | 2                      | Business Relations       | n/a                                       | Business Relations       |
| <b>8,623</b>          | <b>Total</b>             | <b>56</b>              | <b>Total</b>             | <b>23,020</b>                             | <b>Total</b>             |

Interns are actively recruited from a wide variety of schools. For example, colleges attended by recent interns have included Brooklyn College, The City College of New York, College of the Holy Cross, Columbia University, Fordham University, Kingsborough Community College, Manhattan College, Pace University, St. John's University, and York College. BBB staff members visit career fairs at colleges and post intern opportunities online to attract candidates, who are then selectively screened.

## Intern Career-Building Opportunities

To enhance the intern experience, BBB Foundation's Volunteer Intern Program includes a series of casual breakfast and luncheon programs. During these career-oriented meetings, interns get the rare chance to meet and speak with outstanding business and community leaders. Senior executives discuss their career paths and provide interns with an insider's view of the New York business and charity community. In 2018, career meeting speakers included high-profile BBB and BBB Foundation Board members. In addition, 2018 interns were able to show their skills through projects and presentations, such as mock charity Standards briefings.



Temy Mancusi-Ungaro, Senior Vice President of Client Delivery, Yext, speaks at a career-building intern luncheon



Jane Rhee, Executive Director of Global Public Affairs, Estée Lauder Companies, Inc.



2018 interns and volunteers are recognized during National Volunteer Week



2018 Charity Program interns present a mock standards briefing to wrap up their semester

## Intern Feedback

Interns are invited to provide feedback about their BBB experiences through exit surveys. Their comments are used to enhance the Volunteer Program. Typically, intern comments are very positive.

A Spring 2018 Dispute Resolution (DR) intern commented: "I have already been able to apply these skills to many of my classes and my life." Another DR intern from Spring 2018 wrote: "Through this internship, I developed stronger communication and teamwork skills." And an additional intern commented: "I have grown more confident serving as a mediator." Several DR interns remarked that they acquired skills that would help them with future career plans involving mediation and legal work.

Asked whether the internship met their expectations, one Summer 2018 Charity Accountability Program intern answered: "Yes. It is a very well-structured internship – everything is planned and structured in a way that I was able to jump right into the work and feel part of the team."

When asked if they would use the skills learned in the future, a Fall 2018 Charity Accountability Intern wrote: "I think I learned a lot about communicating with people in a professional setting, and writing professional emails. These will be skills that will serve me in whichever career I decide to follow."

Another 2018 intern remarked: "I was able to add so many skills to my resume and my LinkedIn. Thank you so much for the opportunity!"

We are grateful to **BNY Mellon, Colgate-Palmolive, Estée Lauder, Grey Global Group, Jane and Rabbi Abraham Krantz Family Foundation**, and BBB Board Chairman **Michael Portegello** for their generous donations in support of the BBB Foundation's Skill-Building Volunteer Intern Program in 2018.



Summer 2018 interns in the Manhattan BBB office.



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## **Populations Served by Metro New York's BBB Foundation**

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The Education and Research Foundation of the Better Business Bureau® of Metropolitan New York provides information, education, and assistance to consumers, nonprofits, businesses, journalists, professionals (such as consultants, accountants, and attorneys), government officials and others who are interested in the following:

- Business and charity standards and practices
- Corporate responsibility trends, issues, and challenges
- Consumer and business fraud prevention and education
- BBB Charity Reports, comparing charity performance to the BBB Charity Accountability Standards
- Charity accountability and governance
- Informed giving practices for donors
- Charity capacity-building for effectiveness and impact
- Collaborative nonprofit efforts

The primary geographic focus is on residents of New York State and New York City. However, many of the Foundation's educational programs – such as its previous financial literacy program, *Get More Money Now* - have been distributed nationally with great success. The Foundation's Charity Accountability Program is a national model for comparable programs in the international BBB association.

Under its Latino Initiative, the BBB Foundation has made a concerted effort to develop resources that would enable it to provide culturally appropriate, needed consumer and business information to the public in both Spanish and English. This is an ongoing project. Recent BBB Live television call-in programs in Spanish under this initiative have reached and served consumers in the Tri-State Area, as well as some states well outside of the Metropolitan New York vicinity.

In 2018, BBB Foundation executives worked extensively with several groups of nonprofit-related organizations and task forces, including the NYC Nonprofit Board Development Coalition organized by NYC Service, which worked together to write, update, and distribute the *NYC Good Governance Blueprint* and present board training programs for NYC area charities; the Ahead of the Curve collaborative group of nonprofit capacity builders; the Human Service Council's Resilience Task Force and Disaster Relief Working Group; and additional collaborations with groups such as Foundation Center/Candid, the BBB Wise Giving Alliance, and Association of Nonprofit Specialists for educational purposes. These relationships are ongoing in 2019.

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# Metro New York Better Business Bureau® BBB Foundation Affiliate and Collaborator

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## BBB Accredited Businesses

BBB helps people find and recommend businesses, brands, and charities they can trust. BBB Accredited Businesses and Charities make a commitment to conduct their business affairs with reliability and integrity, in accordance with Better Business Bureau standards and guidelines. Consumers understand the vital nature of this commitment and value it. Consumers and businesses can **Start With Trust®** by turning to the BBB for business and charity accountability information, as well as the latest news about scams.

In addition to upholding BBB standards of integrity in their operations, thousands of BBB Accredited Businesses make voluntary donations beyond their accreditation dues, in support of the BBB Foundation of Metro New York and its activities.

## Business Integrity and Consumer Trust

Trust in business is essential for a strong economy. Customer confidence is a vital element of business strength. BBB encourages business practices that will merit consumer trust.

Annually, BBBs in the U.S., Canada, and Mexico provide hundreds of millions of instances of service to people who need BBB's assistance. The Better Business Bureau system has been helping people make smarter buying decisions for over 100 years.

On June 22, 1922, the Metropolitan New York Better Business Bureau was founded to combat investment fraud, as well as deceptive advertising. Today, by promoting guidelines for reputable conduct in advertising, in business transactions and in the online marketplace, BBB helps companies become successful and grow. By reporting on customer experiences with businesses, BBB encourages public recognition of companies that demonstrate integrity and reliability in their operations and helps consumers avoid frauds.

## Solving Problems Without Litigation

BBB helps to solve problems between businesses and customers without litigation. It gives consumers and businesses pre-purchase information that often saves them a significant amount of money and trouble. Last year, consumers turned to BBBs across North America more than 173 million times.

In 2018, the Metropolitan New York BBB provided over 6.5 million instances of service to individuals and businesses. This level of volume is remarkable, considering the fact that Metro New York's BBB is a nonprofit organization staffed by a relatively small group of professionals, with help from volunteers.

Consumers visit the website, call, write, email, or even walk in the door, to ask about business and charity reliability, request educational information, file complaints, and seek dispute resolution help.

Metropolitan New York's BBB collaborates with its separately incorporated and governed BBB Foundation to create public education programs and other efforts that are relevant to our community's ever-changing needs.



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# Metro New York BBB Foundation Board of Directors and Officers 2018

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## Metro New York BBB Foundation Statement of Activities 2018

|   | Year Ended December 31, 2018 |                            |                   |
|---|------------------------------|----------------------------|-------------------|
|   | Unrestricted Net<br>Assets   | With Donor<br>Restrictions | Total Net Assets  |
| <b>Support and other revenues:</b>        |                              |                            |                   |
| Contributions                             | \$ 143,779                   | \$ 151,500                 | \$ 295,279        |
| Interest income                           | 1,637                        |                            | 1,637             |
| Seal Program income                       | 196,362                      |                            | 196,362           |
| Seal Review income                        | 15,000                       |                            | 15,000            |
| Income from related party                 | 11,472                       |                            | 11,472            |
| Donated services*                         | 76,476                       |                            | 76,476            |
|   | <u>444,726</u>               | <u>151,500</u>             | <u>596,226</u>    |
| Net assets released from restrictions**   | <u>250,219</u>               | <u>(250,219)</u>           | <u>0</u>          |
| Total support and other revenues          | <u>694,945</u>               | <u>(98,719)</u>            | <u>596,226</u>    |
| <b>Expenses:</b>                          |                              |                            |                   |
| Program services:                         |                              |                            |                   |
| Charity Accountability<br>Program (NYCAP) | 213,029                      |                            | 213,029           |
| Educational initiatives                   | <u>214,086</u>               |                            | <u>214,086</u>    |
| Total program services                    | <u>427,115</u>               |                            | <u>427,115</u>    |
| Supporting services:                      |                              |                            |                   |
| Management and general<br>Fund-raising    | 68,440                       |                            | 68,440            |
|   | <u>15,920</u>                |                            | <u>15,920</u>     |
| Total supporting services                 | <u>84,360</u>                |                            | <u>84,360</u>     |
| Total expenses                            | <u>511,475</u>               |                            | <u>511,475</u>    |
| Change in net assets                      | 183,470                      | (98,719)                   | 84,751            |
| Net assets – January 1                    | <u>739,188</u>               | <u>164,013</u>             | <u>903,201</u>    |
| <b>Net assets – December 31</b>           | <u>\$ 922,658</u>            | <u>\$ 65,294</u>           | <u>\$ 987,952</u> |

\* Donated services were for *pro bono* media to distribute educational public service announcements (PSAs).

\*\* Previously accumulated net assets were released from restrictions due to final satisfaction of requirements.

The latest annual financial [report](#) with program activities description for which contributions are solicited for the Education and Research Foundation of the Better Business Bureau of Metropolitan New York, Inc. is available upon request from the organization at 30 East 33rd Street, 12th Floor, New York, NY 10016, 212-533-6200. Charity information and our latest annual financial report are also available from the Charities Bureau/Office of the N.Y.S. Attorney General at [www.charitiesnys.com](http://www.charitiesnys.com), 212-416-8686/8401.