

Annual Report

2019

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



GIVE

WITH

TRUSTSM

**30 East 33rd St.
12th Floor
New York, NY 10016
212.533.7500
ny.give.org
newyork.bbb.org**



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 further development of board, staff, financial resources, partnerships, and collaborations.

BBB Foundation Impact Snapshot, 2019

- **1,190** educational event and webinar participants
- **772** Metro NY BBB Charity Reports as of 11/2019 public report
- **44** volunteer interns with **6,583** hours of training and service
- **14,798** instances of service through BBB Live programs active in 2019, including educational content about job scams, debt, and student loans in English and Spanish
- Tracked **49,145** unique page views for BBB Foundation-related web pages and **61,013** overall page views

Core Program: Charity Accountability

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 aims by:

- publishing BBB Charity Reports on about 770+ Metro New York area charities
- informing the public about how to identify accountable charities
- urging potential donors to give generously to trustworthy charities, and
- helping charities to meet and maintain high standards in their practices.

These BBB charity accountability activities were substantially funded in 2019, in part, through **2,756 unique voluntary general donations** (up by 345 or 14.3% from 2,411 in 2018) provided by **BBB Accredited Businesses** beyond their accreditation fees, as well as by the BBB Accredited Charity Seal program, and with **generous support 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 reporting 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 and New Jersey BBB's 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, give.org, newyork.bbb.org and 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, collaborations, published articles, speaking engagements, and 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 and workshops, when in-person events are feasible, 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 (when possible), online webinars and recorded tutorials 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 2019, we deeply appreciated receiving the generous support of **American Express** (Patron Sponsor), **The New York Community Trust** (Major Sponsor), **JMT Consulting Group** (Benefactor Sponsor), and **PwC New York** (Benefactor Sponsor) as generous overall co-sponsors of our thirteenth Charity Effectiveness Symposium and related efforts in this program series. BBB Foundation was also pleased to be able to present five special workshops for charities in this program series, with generous sponsorship from **Fiscal Management Associates (FMA)**, **EisnerAmper LLP** and **American Express**.

Summary of activities:

- **Workshop, January 30, 2019:** With sponsorship from Fiscal Management Associates (FMA), the BBB Foundation presented ***Staying True to Full Costs- What Does It Really Mean and How Do You Do It?*** in the Volvo Hall at Scandinavia House, Manhattan. Hilda Polanco, Founder and CEO of FMA, was the featured speaker. The program covered issues such as how to budget to cover full costs, evaluating indirect and direct costs, and cost allocations, as well as issues related to the Overhead Myth. The Center for Nonprofit Leaders at Fordham University, Human Services Council, Nonprofit Coordinating Committee of New York (now known as Nonprofit New York), and United Way of New York City were Event Supporters. There were 114 event registrants, including the speaker. On event day we logged 81 program participants including 80 attendees plus the speaker.
- **BBB Charity Effectiveness Symposium XIII, February 26, 2019:** The BBB Foundation's thirteenth Charity Effectiveness Symposium, entitled ***Visions for Change – Building Better Outcomes***, 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 292 event registrants, including speakers. On the event day, we noted attendance by 221 participants (207 of them attendees and speakers), including charity executives, philanthropic leaders, consultants, staff and other interested parties.
- **Workshop, March 26, 2019:** With sponsorship from EisnerAmper LLP, the BBB Foundation presented ***Red Flags for Nonprofit Leaders – Finding and Dealing with the Top Financial Management, Fraud, and Reporting Problems***. This workshop focused on detecting and coping with reporting errors, financial missteps, and fraud issues. Presenters were Candice Meth, CPA, Partner, Not-for-Profit Services, and William Epstein, CPA, Partner, Not-for-Profit Services, both of EisnerAmper LLP. This program was held at Scandinavia House in Manhattan. The Center for Nonprofit Leaders at Fordham University, Human Services Council, Nonprofit Coordinating Committee of New York (now known as Nonprofit New York), and United Way of New York City were Event Supporters. There were 84 registrants and 60 attendees, including speakers but not including staff.
- **Workshop, April 30, 2019:** With sponsorship from EisnerAmper LLP, the BBB Foundation presented ***Budgeting for Sustainability – Practices and Tools for Managing Budgets, Cash Flow, Liquidity, and More***. Presenters were Candice Meth, CPA, Partner, Not-for-Profit Services, and Timothy Schroeder, CPA, Manager, Not-for-Profit Services, both of EisnerAmper LLP. This workshop focused on financial tools and processes to facilitate nonprofit sustainability analysis, covering issues such as cash flow, liquidity, and FASB disclosures. Held at Scandinavia House in Manhattan, this workshop drew 109 registrants and speakers, of which 85 attended, not including staff.

- **Workshop, September 18, 2019:** With sponsorship from American Express, the BBB Foundation presented **Measuring Outcomes: Basics and Do-It-Yourself Options for Charities**. Presenters included Ann Duffett, PhD, Partner, FDR Group, LLC and Steve Farkas, Partner, FDR Group, LLC. Topics included strategies and tools for in-house evaluation; budgeting; choosing outcomes to measure; picking consultants; and avoiding common pitfalls. The Human Services Council, New York Council of Nonprofits, and Nonprofit New York served as Event Supporters. There were 81 registrants and 63 attendees, including the speakers but not including staff.
- **Workshop, October 30, 2019:** With sponsorship from American Express, the BBB Foundation presented **Lifting Up Leaders – Building Capacity to Tackle Nonprofit Challenges**. Marisa M. Tirona, Program Officer, Building Institutions and Networks (BUILD), Ford Foundation, moderated a panel composed of the following speakers: Lisa Pilar Cowan, Vice President, Robert Sterling Clark Foundation; Frances Kunreuther, Co-Director, Building Movement Project; and Pooja J. O’Hanlon, Executive Director, Thomas & Jeanne Elmezzi Foundation. Panelists provided insights about issues faced by leaders of color; skill sets that nonprofit leaders of the future will need; how to build pathways to diverse leadership; and how to be more intentional about supporting rising nonprofit leaders. The New York Council of Nonprofits, Nonprofit New York, and Support Center were Event Supporters. This workshop attracted 118 registrants and speakers, of which 85 attended, not including staff.
- **Website Update; Email Promoting 2019 Symposium Video on December 17, 2019:** The online resource at newyork.bbb.org/charityeffectiveness entitled **Learn About Charity Effectiveness**, was updated with new content including links to the 2019 videos, added to existing content from prior Symposium events, plus selected resources related to charity effectiveness issues. The 2019 videos and updated website resource were promoted to Metro NY area charities and other BBB organizations through an email, issued on December 17, 2019.
- **Program Assessment:** We asked attendees at our Symposium and five additional workshops throughout the year to evaluate the programs. They provided detailed feedback, which we are using to plan additional charity effectiveness programs.

Symposium Program Committee: American Express; BNY Mellon; Center for Nonprofit Leadership at Adelphi University; Clark Foundation; Community Resource Exchange; Fiscal Management Associates, LLC; Human Services Council; JMT Consulting Group; KPMG, LLP; Long Island Community Foundation; New York Community Trust; Nonprofit Finance Fund; NYC Department of Youth & Community Development; Philanthropy New York; PwC New York; Westchester Community Foundation.

Symposium Event Supporters: Association of Development Officers; Association of Nonprofit Specialists; Baruch – Austin W. Marxe School of Public and International Affairs; Center for Nonprofit Leaders at Fordham University; Center for Nonprofit Leadership at Adelphi University; Foundation Center; Human Services Council; Milano School of Policy, Management and Environment-The New School; New York Council of Nonprofits; New York Society of Association Executives; Nonprofit Coordinating Committee of New York (now known as Nonprofit New York); Nonprofit Westchester; NYC Department of Youth & Community Development; NYU Robert F. Wagner Graduate School of Public Service; Philanthropy New York; Staten Island Not-For-Profit Association; Support Center; United Way of New York City.

BBB Charity Effectiveness Symposium, February 26, 2019



James G. Sheehan, Chief, Charities Bureau, New York State Office of the Attorney General, provided Opening Remarks about the latest regulatory news.



Lorie Slutsky, President of The New York Community Trust, discussed visions for achieving change in the context of measuring outcomes in her Keynote.

92.5% of Symposium survey respondents who answered the question said they would use information from the program in their work.



Making Change Happen panelists, L to R: Leticia Peguero, Vice President of Programs, The Nathan Cummings Foundation, *moderator*; Frederick Shack, LMSW, CEO, Urban Pathways; V. Elaine Gross, MSW, President, Erase Racism; Murad Awawdeh, Vice President of Advocacy, New York Immigration Coalition.



Communicating Effectively panelists, L to R: Amelia Woltering, Vice President of Corporate Affairs and Communications, American Express, *moderator*; Frankie Miranda, Executive Vice President, Hispanic Federation (now President); Michele Landa Riggio, Director of Communications, PEN America; Todd Whitley, Senior Director, Digital Fundraising, WNET New York Public Media.



Frankie Miranda of Hispanic Federation



Michele Landa Riggio of PEN America



Murad Awawdeh of NY Immigration Coalition

Learn About Charity Effectiveness Website Resource: newyork.bbb.org/charityeffectiveness

Fall 2019 Promotion of Symposium Videos



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

View Videos Now!

2019 BBB Charity Effectiveness Symposium XIII

Visions for Change: Building Better Outcomes

If you missed the thirteenth **BBB Charity Effectiveness Symposium** on February 26, 2019, you can now view videos of the event. Visit the **Learn About Charity Effectiveness website** at newyork.bbb.org/charityeffectiveness to see additional videos, whitepapers, and resources from previous years.

Click each topic below to see videos of these 2019 program speakers.



Keynote Remarks

Lorie A. Slutsky

President, The New York Community Trust

David S. Birdsell, Question Moderator

Marxe Dean and Professor,
Baruch College – Austin W. Marxe School
of Public and International Affairs

Opening Remarks

Charities Bureau Update

James G. Sheehan, Esq.

Chief, Charities Bureau, New York State Office of the
Attorney General



Panel Discussion

Making Change Happen

Leticia Peguero, Moderator

Vice President of Programs,
The Nathan Cummings Foundation

• **Murad Awawdeh**, Vice President, of Advocacy, New
York Immigration Coalition

• **V. Elaine Gross**, MSW, President, Erase Racism

• **Frederick Shack**, LMSW, Chief Executive Officer, Urban
Pathways

Panel Discussion

Communicating Effectively

Amelia Woltering, Moderator

Vice President of Corporate Affairs and Communications,
American Express

• **Frankle Miranda**, Executive Vice President, Hispanic
Federation

• **Michele Landa Rigglo**, Director of Communications,
PEN America

• **Todd Whitley**, Senior Director, Digital Fundraising,
WNET New York Public Media



Join us for the next Symposium! February 26, 2020
Click here to see details & register

The 2019 BBB Charity Effectiveness Symposium Program Series
was generously sponsored by

Patron Sponsor **American Express**

Major Sponsor **The New York Community Trust**

Benefactor Sponsor **JMT Consulting Group and PwC New York**

Charity Effectiveness Series Workshops in 2019



Presenter Hilda Polanco of FMA begins the *Staying True to Full Costs* workshop.



L to R: William Epstein, CPA, and Candice Meth, CPA, both Partners at EisnerAmper, speak to an attentive crowd at the *Red Flags for Nonprofit Leaders* workshop.



Timothy Schroeder, CPA, and Candice Meth, CPA, of EisnerAmper present to a packed hall at the *Budgeting for Sustainability* workshop.



Presenters Ann Duffet, PhD, and Steve Farkas, Partners from FDR Group, share insights about basics at the *Measuring Outcomes* workshop



L to R: Marisa M. Tirona, Program Officer, Building Institutions and Networks (BUILD), Ford Foundation, led a panel discussion at the *Lifting Up Leaders* workshop, with speakers Pooja J. O’Hanlon, Executive Director, Thomas & Jeanne Elmezzi Foundation; Lisa Pilar Cowan, Vice President, Robert Sterling Clark Foundation; and Frances Kunreuther, Co-Director, Building Movement Project.

BBB Charity Standards Briefings in 2019

In 2019, 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 5 Standards programs in 2019, with 75 attendees in all. Additional workshops and webinars are taking place in 2020.

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.

2019 BBB Charity Standards Workshops: 75 attendees in all

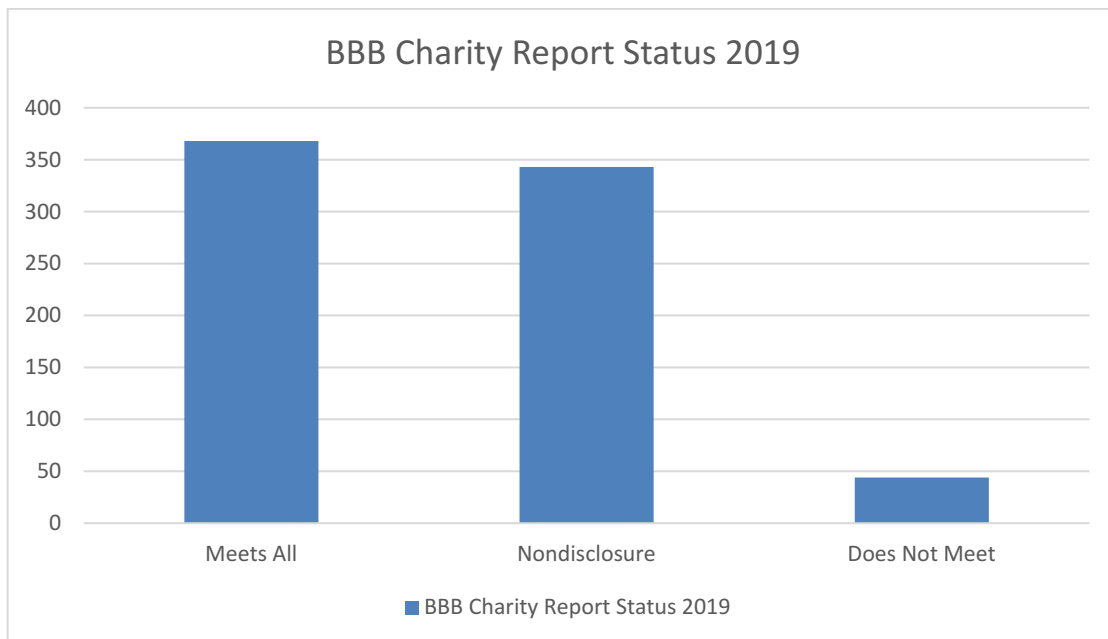
February 2, 2019	Workshop - at BBB in NYC (12 attendees)
May 22, 2019	Workshop - at BBB in NYC (12 attendees)
July 16, 2019	Workshop - at BBB in NYC (15 attendees)
August 14, 2019	Webinar (17 attendees)
November 13, 2019	Workshop - at BBB in NYC (19 attendees)

Overview of Charity Accountability Program, 2019

772 Evaluated Organizations

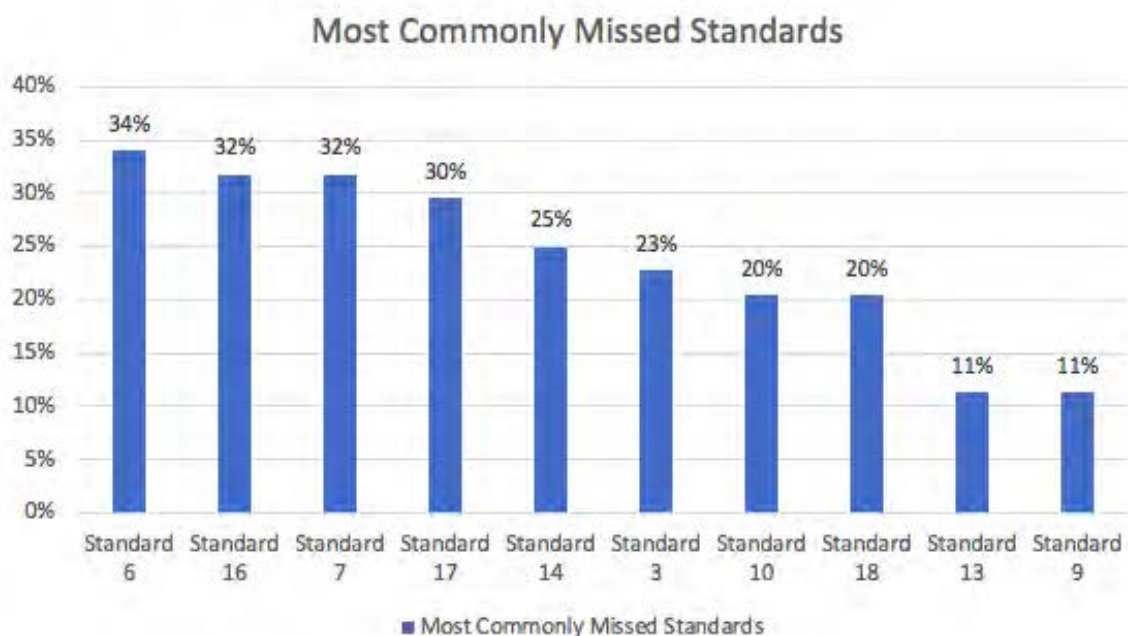
412 Complete Evaluations

Average % Total Spent by Charities



Of the 412 charities given complete reviews, 368 (89%) met all Standards vs. 83% in 2018; 44 (11%) failed one or more Standards vs. 15% in 2018; 17 (2%) were working towards accreditation, having submitted for the first time. Out of 772 total reports, 343 (44%) were Nondisclosure reports. Nondisclosure means the charity failed or declined to respond to BBB requests for information. Statistics cited are as of November 2019 annual measurement report.

BBB Standards Missed by Evaluated Charities, 2019



Top 10 Most Commonly Missed BBB Standards

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. **(15)**

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. **(14)**

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. **(14)**

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. **(13)**

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. **(11)**

3. Board Meetings. Have a minimum of three evenly spaced meetings per year of the full governing body with a majority in attendance, with face-to-face participation. A conference call of the full board can substitute for one of the three meetings of the governing body. For all meetings, alternative modes of participation are acceptable for those with physical disabilities. **(10)**

10. 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. **(9)**

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. **(9)**

13. Accurate Expense Reporting. Accurately report the charity's expenses, including any joint cost allocations, in its financial statements. For example, audited or unaudited statements which inaccurately claim zero fund raising expenses or otherwise understate the amount a charity spends on fund raising, and/or overstate the amount it spends on programs will not meet this standard. **(5)**

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. **(5)**

Note: Individual charities may have missed more than one of these Standards. Counts therefore do not add up to total number of charities that did not meet BBB Standards at the time of evaluation.

Over \$4.8 Billion

Total publicly-solicited *contributions* revenue received by charities reported on by Metro NY BBB Foundation, 2019

Analysis of BBB Charity Report Data

Regional Breakdown (includes *all* charities covered in 2019 Metro NY reports)

- **562 (72%)** of the charities are from the 5 boroughs of New York City
- **142 (18%)** of the charities are located in Long Island
- **66 (9%)** 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: **22**
- Average number of board meetings per year: **5**
- Average attendance of board members at board meetings: **72%**

Gender Breakdown

- **44%** were headed by male CEOs and **56%** by female CEOs
- **67%** of the Boards of Directors were headed by a male Board Chair and **34%** by a female Board Chair. 2 charities are headed by 1 female co-chair, and 1 male co-chair.

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

- The total amount of public support received: **\$4,835,588,141 (\$4.8 billion+)**
- The average of total public support received: **\$11,794,117**

Field/Focus Area

The charity categories that were included in 2019 Metro New York BBB Charity Reports are listed below from largest to smallest (excludes nondisclosure reports):

Category	Number (N=368)	Percent
Health & Human Services	139	37%
Community Development	64	17%
Children & Youth	50	14%
Arts & Culture	35	10%
Environment	22	6%
Education & Literacy	20	5%
Law & Public Interest	13	4%
Police, Fire, & Vets	10	3%
Seniors	10	3%
Animal Protection	5	1%

**excludes charities that did not disclose information*

BBB Charity Reports

New York Website Addresses: ny.give.org, newyork.bbb.org

International Websites: give.org, 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 November 2019, the annual Metro NY measurement point, there were 772 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, or that seek BBB evaluation, 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. Given sufficient information to do so, 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 in 2019

We observed an estimated **49,145 unique page views** and **61,013 overall page views** for BBB Foundation content pages, including charity-related web pages, at newyork.bbb.org from January 1 – December 31, 2019. 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 2019, by year end, the Metro NY BBB Accredited Charity Seal program included **214 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 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 are provided with 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. Metro NY BBB Foundation works with charities on fee payment plans, when necessary, to make the Seal program accessible.

New *I Feel Good About Giving*SM BBB Charity Information Social Media Ad Campaign in 2019

In 2019, the BBB Foundation created a new social media awareness campaign with an *I Feel Good About Giving*SM theme. The campaign included a series of ads featuring positive images of a variety of individuals, in a manner intended to express the joy of giving to trustworthy charities. These ads, shown below, appeared in Facebook in a special paid campaign throughout the holiday giving season and linked to a landing page which listed Metro New York BBB Accredited Charities. In addition, the ads were placed on the Metro New York BBB website to encourage further traffic to the landing page.

The campaign had very positive results, achieving **752,528 impressions in a five-week time period with 5,866 clickthroughs to the landing page.**



In addition, the BBB Foundation continues to offer Give With TrustSM themed PSAs through a special website page found at: bbb.org/new-york-city/bbb-psas



Consumer Education in English and Spanish

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.

Previous projects related to this initiative have included educational efforts involving television call-in projects and online content, 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**.

In 2019, given a shift in popularity of call-in programs, the BBB Live project was discontinued as a TV-related call-in effort. Instead it is currently being redeveloped as an online-only “BBB Living” project, which will continue to offer topical information in both Spanish and English. When fully updated, this online project will be promoted through digital ads, directly to target groups.

We thank **TD Bank** and **MLB** for their generous 2019 support of the program redevelopment. The next iteration of this program is expected to be focused on an all-online update of **Take Control of Your Debt** and is currently envisioned for late 2020 re-launch.



The image shows a screenshot of a website banner. At the top left is the BBB logo with the text "The Education and Research Foundation of the Better Business Bureau of Metropolitan New York, Inc." Below this, the main heading reads "Scam Job Offers" in blue, followed by "Oferta de empleos fraudulentas" in red. A link in blue text says "To View this Information in Spanish - Click Here". At the bottom, there is a row of red links: "10 Ways to Recognize a Job Scam", "How to Find Real Job Possibilities", "Trending Types of Job Scams", "Classic Job Scams", "Resources for Job Seekers", "National Sources of Information and Help with Scams", and "State Level Resources".

In the meantime, the previous BBB Live content on **Scam Job Offers** remains available online and highly topical at bbb.org/new-york-city/scam-job-offers and bbb.org/new-york-city/empleos-fraudulentos - and continues to be promoted to consumers. In 2019, this program content generated a total of **12,424 unique visits** to web pages in both languages. At the current time, employment job scams are considered among the most prevalent and dangerous of scams affecting consumers.

Additional 2019 Results from Previous BBB Live Programs

- Job Scam-related BBB Live Content from 2018 and prior years *in English* received **12,003** unique page views in 2019 (13,205 total page views).
- Job Scam-related BBB Live Content from 2018 and prior years *in Spanish* received **421** unique page views in 2019 (472 total page views).

- Debt-related BBB Live content from prior years *in English* received **1,176** unique page views in 2019 (1,204 total page views).
- Debt-related BBB Live content from prior years *in Spanish* received **377** unique page views in 2019 (444 total page views).
- Student loan-related BBB Live content from prior years *in English* received **448** unique page views in 2019 (494 total page views).
- Student loan-related BBB Live content from prior years *in Spanish* received **373** unique page views in 2019 (441 total page views).

**Total Tracked Instances of Service, Previous
BBB Live Programs Active in 2019: 14,798**

Education for Businesses

BBB Forum on Corporate Responsibility XII June 11, 2019

The Education and Research Foundation of the Better Business Bureau of Metropolitan New York invites you to attend

BBB Forum on Corporate Responsibility XII

Megatrends:
Shaping the CSR Agenda

When:
Tuesday, June 11, 2019
8:00 am - 12:30 pm

Where:
Scandinavia House, Victor Borge Hall
58 Park Avenue at 38th Street, Manhattan

BBB Foundation of Metro New York deeply appreciates the support of our generous sponsors for BBB Forum 2019: Major Sponsor **EY**; and Benefactor Sponsors **MLB**, **Nielsen**, and **Yext**. The Media Supporter for this event was **3BL Media**, and an additional 13 organizations provided Event Support to generate awareness and attendance.

An engaged group of 141 attendees and speakers packed the Borge Hall at Scandinavia House in New York City at the June 11, 2019 BBB Forum on Corporate Responsibility (out of 167 non-staff registrants, a sell-out crowd with a high 80% attendance rate). Attendees included senior executives from major corporations, business associations, consulting firms, nonprofits, academic institutions, media organizations, and BBB staff.



Al Iannuzzi

Vice President, Sustainability, The Estée Lauder Companies Inc..
BBB Forum 2019 Keynote Speaker

Keynote speaker **Al Iannuzzi, Vice President of Sustainability at Estée Lauder**, kicked off the day with his observations about “Estée Lauder’s Sustainability Journey.” In his remarks, Mr. Iannuzzi noted Estée Lauder’s philanthropy legacy and stakeholders, and shared insights about his corporation’s current areas of focus for corporate citizenship and sustainability initiatives. These included a look at Estée Lauder’s announced sustainability and social impact goals for 2019.



Megatrends: Shaping the CSR Agenda panel, L to R: David Korngold, Director, New York, BSR, *Moderator*; Andre Fourie, Global Director of Water Sustainability, Anheuser-Busch InBev; Althea Erickson, Head of Global Advocacy and Policy (now Vice President, Global Public Policy & Impact), Etsy, Inc.; and Jamie Martin, Executive Director, Global Sustainable Finance, Morgan Stanley.



Julia Wilson, Vice President of Global Responsibility & Sustainability from Nielsen, discusses how consumers are driving change through shopping habits.



BBB Metro NY Board Chair and Forum 2019 Major Sponsor **Michael Portegello**, Partner, Assurance Services, EY, with **Claire Rosenzweig**, President & CEO of BBB Metro NY.



Caroline Rees, President and Co-Founder, Shift Project Ltd., shares her insights about human rights issues related to supply chains, AI, and more.



Jamie Lee Mattison, Manager of Climate Change and Sustainability Services, EY, discusses new CSR initiatives around plastic waste.

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 2019

In 2019 our Volunteer Intern Program activities continued to be strong:

- There were 44 interns in all for the 2019 year
- Volunteer interns contributed 6,583 hours of training and service
- Cases/reports completed with intern assistance totaled 23,761

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 2019		Number of 2019 Interns		Cases/Reports Assisted by Interns in 2019	
1,494	Charity Accountability	12	Charity Accountability	161	Charity Accountability
4,985	NYC (Dispute Resolution)	29	NYC (Dispute Resolution)	22,560	NYC (Dispute Resolution)
104	Mid-Hudson	3	Mid-Hudson	1,040	Mid-Hudson
6,583	Total	44	Total	23,761	Total

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
7,919	Total	55	Total	32,996	Total

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
7,198	Total	59	Total	26,164	Total

Interns are actively recruited from a wide variety of schools. For example, colleges attended by recent interns have included Baruch College, Brooklyn College, Cornell University, Columbia University, Fordham University, Hofstra University, Hunter College, John Jay College, Manhattan College, New York University, Pace University, St. John's University, University of Delaware, University of Michigan, 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 2019, career meeting speakers

included high-profile BBB and BBB Foundation Board members. In addition, 2019 interns were able to show their skills through projects and presentations, such as mock charity Standards briefings.

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.

When asked about the most interesting aspect of their internship at the BBB, a Spring Dispute Resolution (DR) intern commented, "It was interesting to learn about the BBB's role in the marketplace, and to see the kinds of issues consumers and businesses encounter when engaging in commerce. The information sessions with BBB Board members were also very insightful."

Asked whether the internship met their expectations, one Summer 2019 Charity Accountability Program intern answered: "I had an amazing time here! I am so glad I took part in this internship because it brought me a step closer to figuring out what I want to do in the future."



Kerri Holloway, Vice President, CRA Investments & Administration, BNY Mellon – career speaker



Eric Solomon, Senior Vice President, Client Solutions, Nielsen – career speaker



2019 interns and volunteers are recognized during National Volunteer Week



2019 Charity Program interns present a mock Standards briefing to wrap up their semester

When asked if the skills learned through the internship would be used in a future career, a Fall 2019 DR intern replied, "Yes, I think being able to handle angry and frustrated people is a skill that can definitely be useful in the future."

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 2019.



Summer 2019 interns in the Manhattan BBB office.



2019 interns Trina Dhar and Gabby Rodriguez at a BBB educational event.



2019 interns Michelle Zhaung and Polly Zheng in the BBB Conference room, where intern trainings took place.



Richard Brown, Vice President, Philanthropy of American Express was introduced to interns by CEO Claire Rosenzweig.



Populations Served by Metro New York's BBB Foundation

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 the Metro New York area. However, prior Foundation 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 efforts 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 programs in English and Spanish under this initiative have reached and served consumers in the Tri-State Area, as well consumers in states outside of the Metropolitan New York vicinity, through promotion of website content.

In 2019, 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 has worked together over several years 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 BBB Wise Giving Alliance, and Association of Nonprofit Specialists for educational purposes. These relationships are ongoing.

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

BBB Accredited Businesses

BBB helps people find and recommend businesses and charities they can trust. BBB Accredited Businesses and Charities make a commitment to conduct their operations with reliability and integrity, in accordance with Better Business Bureau standards and guidelines. Consumers understand the vital nature of this commitment and value it. Every year, millions of consumers and businesses *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 practices, 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 183 million times.

In 2019, the Metropolitan New York BBB provided over 7.3 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 some 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 and fraud prevention 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.

Metro New York BBB Foundation Board of Directors and Officers 2019

Chair

David Okorn
Executive Director
Long Island Community Foundation

Vice Chairs

Peter Chernack
Associate Dean for Program Development
and Administration, School of Social Work
Adelphi University

Pamela Haas
Manager, Corporate Citizenship &
Corporate Affairs
IBM Corporation

Treasurer

Steve Perazzoli
Partner, Financial Services Industry
PricewaterhouseCoopers LLP

President

Claire Rosenzweig, CAE President & CEO
Better Business Bureau Serving
Metropolitan New York
(Ex Officio, Non-voting)

Directors

Daniel R. Alcott
Partner
Dorf & Nelson LLP

Laurie J. Bilik
President
Global Human Resources

Richard Brown
Vice President, Philanthropy
American Express

Cathryn McAleavey
Lead Consultant
Fiscal Management Associates, LLC

Thomas Renart
Executive Vice President, Mission Services
Goodwill Industries of Greater
New York & Northern New Jersey

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

Felicia R. Tucker
Principal, Development & Exempt Organizations
Tax Practice
KPMG LLP

Metro New York BBB Foundation Statement of Activities 2019

	Year Ended December 31, 2019		
	Unrestricted Net Assets	With Donor Restrictions	Total Net Assets
Support and other revenues:			
Contributions	\$ 142,868	\$ 97,900	\$ 240,768
Interest income	1,235		1,235
Seal Program income	203,905		203,905
Seal Review income	15,000		15,000
Income from related party	11,472		11,472
Donated services*	89,141		89,141
Net assets released from restrictions**	112,587	(112,587)	-
Total support and other revenues	576,208	(14,687)	561,521
Expenses:			
Program services:			
Charity Accountability Program (NYCAP)	222,917		222,917
Educational initiatives	239,392		239,392
Total program services	462,309		462,309
Supporting services:			
Management and general Fund-raising	67,039		67,039
	15,974		15,974
Total supporting services	83,013		83,013
Total expenses	545,322		545,322
Change in net assets	30,866	(14,687)	16,199
Net assets – January 1	922,658	65,294	987,952
Net assets – December 31	\$ 953,544	\$ 50,607	\$ 1,004,151

* 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, 212-416-8686/8401.