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ANNUAL REPORT 2017

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



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: Provide skills and experiences that can help build ethical leaders in businesses and nonprofits.
- VI: Enhance organizational capacity through the further development of board, staff, financial resources, partnerships, and collaborations.

BBB Foundation Impact Snapshot, 2017

- **798** educational event, webinar, and livestream participants
- **765** Metro NY BBB Charity Reports as of year end
- **59** volunteer interns with **7,198** hours of training and service
- **4,176** instances of service through BBB Live programs active in 2017, including debt, student loan, medical debt, and identity theft educational content in English and Spanish
- Tracked **44,353** unique pageviews for BBB Foundation-related web pages and **53,414** overall pageviews

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 goals by:

- publishing BBB Charity Reports on over 765 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 2017 through **2,464 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.

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 southern 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, published articles, speaking engagements and active participation in nonprofit convenings. Media, businesses, associations, and other nonprofits regularly consult BBB as an expert 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 why these recommended practices are beneficial for charities.

BBB Charity Effectiveness Program Series

In 2017, we were honored to have the support of **KPMG LLP** (Principal Sponsor), **American Express** (Anchor Sponsor), and **The New York Community Trust** (Major Sponsor) as generous overall co-sponsors of our eleventh 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**, **KPMG LLP**, and **Fiscal Management Associates**.

Summary of activities:

- **Workshop, January 24, 2017:** With sponsorship from EisnerAmper LLP, the BBB Foundation presented **FASB Update: What Nonprofit Managers & Board Members Need to Know**. This workshop focused on key components of the Financial Accounting Standards Board's (FASB) Accounting Standards Update, such as modifications to the statements, guidance on implementation, and the timeline for enacting fundamental changes. Presenters were Candice Meth, CPA, Partner, Not-for-Profit Services of EisnerAmper LLP, and Peter Bihuniak, CPA, Manager, Not-for-Profit Services of EisnerAmper LLP. This program was held at Scandinavia House in Manhattan. The Baruch College Austin W. Marxe School of Public and International Affairs, Human Services Council, New York Society of Association Executives (NYSAE), NYCharities.org and the NYC Department of Youth and Community Development were the Event Supporters. There were 112 registrants, of which 78 participants and speakers attended the event, not including staff.
- **BBB Charity Effectiveness Symposium XI, February 28, 2017:** The BBB Foundation's eleventh Charity Effectiveness Symposium, entitled **Driving Mission Through Changing Times: Nonprofit Leadership Voices, Purposes & Priorities**, was presented in collaboration with Baruch College School of Public Affairs, with the vital input of our Program Committee members, and attendance promotion help from several nonprofit organizations. There were 300 event registrants, including speakers. On the event day, we noted attendance by 247 participants (234 of them attendees and speakers), including charity executives, philanthropic leaders, consultants, staff and other interested parties.
- **Workshop, March 28, 2017:** With sponsorship from EisnerAmper LLP, the BBB Foundation presented **Advanced Fundraising Techniques: Risks, Rewards & Reporting Requirements**. This workshop focused on different fundraising methods, related reporting issues, pros and cons, and additional tax reporting requirements that may be triggered with their use. Presenters were Candice Meth, CPA, Partner, Not-for-Profit Services of EisnerAmper LLP, and Peter Bihuniak, CPA, Manager, Not-for-Profit Services of EisnerAmper LLP. This program was held at Scandinavia House in Manhattan. The Baruch College Austin W. Marxe School of Public and International Affairs, the Human Services Council, the New York Society of Association Executives (NYSAE), the Nonprofit Coordinating Committee of New York, and NYCharities.org served as this workshop's Event Supporters. There 92 registrants and 73 attendees, including speakers but not including staff.
- **Workshop, September 26, 2017:** With sponsorship from Fiscal Management Associates (FMA), the BBB Foundation presented **Building Your Planning Muscle: Developing Tools for Decision-Making in Uncertain Times**. Hilda Polanco, CPA, CCSA®, CGMA, Founder and CEO, Fiscal Management Associates (FMA) discussed a number of topics, including: planning for growth and sudden crises, determining the impact of multi-year plans on organizational financial health, and understanding risk areas and implementing mitigation strategies. The Association of Nonprofit Specialists, Baruch College Marxe School of Public and International Affairs, New

York Society of Association Executives (NYSAE), Nonprofit Coordinating Committee of New York, the NYC Department of Youth and Community Development, NYCharities.org and the Support Center served as Event Supporters. There were 91 registrants and 59 attendees, including the speaker but not including staff.]

- **Workshop, November 7, 2017:** With sponsorship from KPMG LLP, the BBB Foundation presented **The Power of Partnerships: Aligning Mission and Sustainability**. Katherine Maloney, Director, Development & Exempt Organizations Practice at KPMG LLP, moderated a panel composed of the following speakers: Phoebe Boyer, President and CEO of the Children’s Aid Society; Stephanie Johnston, Director, Corporate Social Responsibility at HEINEKEN USA; Don Lowery, Vice President, Community Engagement at the Nielsen Company, and Bradford K. Smith, President of the Foundation Center. Panelists discussed how their organizations have moved from direct grants to deeper collaborations, and how businesses and charities could unlock their real assets and achieve greater impact via partnerships. The Association of Nonprofit Specialists, Baruch College Marxe School of Public and International Affairs, Foundation Center, Nonprofit Coordinating Committee of New York, and NYCharities.org were Event Supporters. This workshop attracted 109 registrants and speakers, of which 80 attended, not including Staff.
- **Website Update; Email Promoting 2017 Symposium Video & Whitepaper to be distributed in early January 2018:** The online resource at newyork.bbb.org/charityeffectiveness, entitled **Learn About Charity Effectiveness**, was updated with new content including links to the 2017 videos, as well as content from prior Symposium events, plus selected resources related to charity effectiveness issues and a whitepaper summary. This updated content was promoted with an email to area charities as well as to other BBB organizations.

BBB Charity Effectiveness Symposium, February 28, 2017



Attentive participants at the 2017 BBB Charity Effectiveness Symposium, in the packed plenary hall.



Facing the Future: Making Pivots and Choosing Priorities panelists, L to R: Patricia Swann, Senior Program Officer, Thriving Communities, The New York Community Trust; Thomas Krever, CEO, Hetrick-Martin Institute; Dianne Morales, Executive Director and CEO, Phipps Neighborhoods; and Amanda Kraus, Founder and Executive Director, Row New York.

87% of Symposium survey respondents who answered the question said they would use information from the program in their work.



TRIPLE KEYNOTE CONVERSATION: What Role Do Nonprofits Play in a Vibrant Democracy? panelists, L to R: George Packer, Author, National Book Award Winner (for *The Unwinding*); Heather C. McGhee, President Dēmos; and Stephen B. Heintz, President, Rockefeller Brothers Fund.

Engaging Stakeholders to Drive Mission Through Challenging Times panelists, L to R: Will Friedman, Ph.D., President, Public Agenda; Aria Finger, CEO, DoSomething.org; and Kyung B. Yoon, Executive Director, Korean American Community Foundation

Learn About Charity Effectiveness Website Resource: 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

Next Symposium: February 27, 2018

Driving Mission Through Changing Times

Nonprofit Leadership Voices, Purposes & Priorities

Keynote conversation moderated by: George Packer, Author, National Book Award Winner (for *The Unwinding*), Contributor at *The New Yorker* delivered by Hilary Pennington, Vice President, Education, Creativity, and Free Expression, Ford Foundation

Featured Speaker: Stephen B. Heintz, President, Rockefeller Brothers Fund, and Heather C. McGhee, President, Dēmos

Event date: February 28, 2017

<p>2016</p> <p>Transitions: Leadership Development, New Challenges & Evolving Business Models</p> <p>Keynote address delivered by Hilary Pennington, Vice President, Education, Creativity, and Free Expression, Ford Foundation</p> <p><input type="button" value="WATCH NOW"/></p>	<p>2015</p> <p>Designing the Future</p> <p>Keynote address delivered by Karen L. Ross, Vice President and Executive Director, Altman Foundation</p> <p><input type="button" value="WATCH NOW"/></p>	<p>2014</p> <p>Re-Imagining Impact Leadership Strategies for Greater Results</p> <p>Keynote address delivered by Melissa Berman, President & CEO, Rockefeller Philanthropy Advisors</p> <p><input type="button" value="WATCH NOW"/></p>
<p>2013</p> <p>Resilient New York: How Nonprofit Leaders are Managing the Unexpected</p> <p>Keynote address delivered by Sheena Wright, President and CEO, United Way, New York City</p> <p><input type="button" value="WATCH NOW"/></p>	<p>2012</p> <p>Thinking Out of the Box: Meeting Challenges with Creative Leadership</p> <p>Keynote address delivered by Maria Mottola, Executive Director, New York Foundation</p> <p><input type="button" value="WATCH NOW"/></p>	<p>2011</p> <p>Mastering the New Normal: Strategies and Insights from Change Leaders</p> <p>Keynote address delivered by Doug Bauer, Executive Director of The Clark Foundation</p> <p><input type="button" value="WATCH NOW"/></p>

Charity Effectiveness Series Workshops



Peter Bihuniak, CPA and Candice Meth, CPA of EisnerAmper LLP speak at the *FASB Update* workshop.



Candice Meth, CPA and Peter Bihuniak, CPA of EisnerAmper LLP speak at the *Advanced Fundraising Techniques* workshop.



Hilda Polanco of FMA shares insights at the *Building Your Planning Muscle* workshop.



Katherine Mahoney of KPMG LLP discusses partnerships at *The Power of Partnerships* workshop, with panelists Phoebe Boyer of Children’s Aid Society, Stephanie Johnston of HEINEKEN USA, Don Lowery of Nielsen, and Bradford K. Smith of the Foundation Center.

BBB Charity Standards Briefings

In 2017, 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 such workshops in 2017, with 89 attendees in all. Off-site presentations were hosted by the Foundation Center. BBB Foundation presented one Standards Webinar in 2017. Additional workshops and webinars are taking place in 2018.

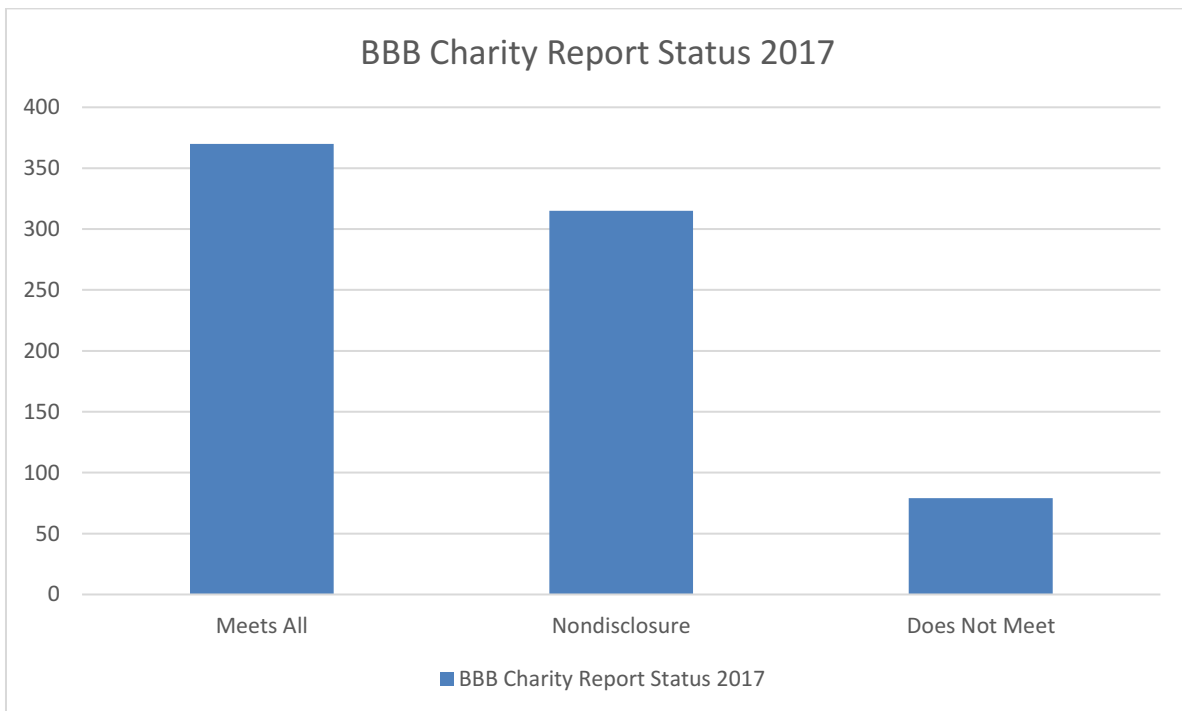
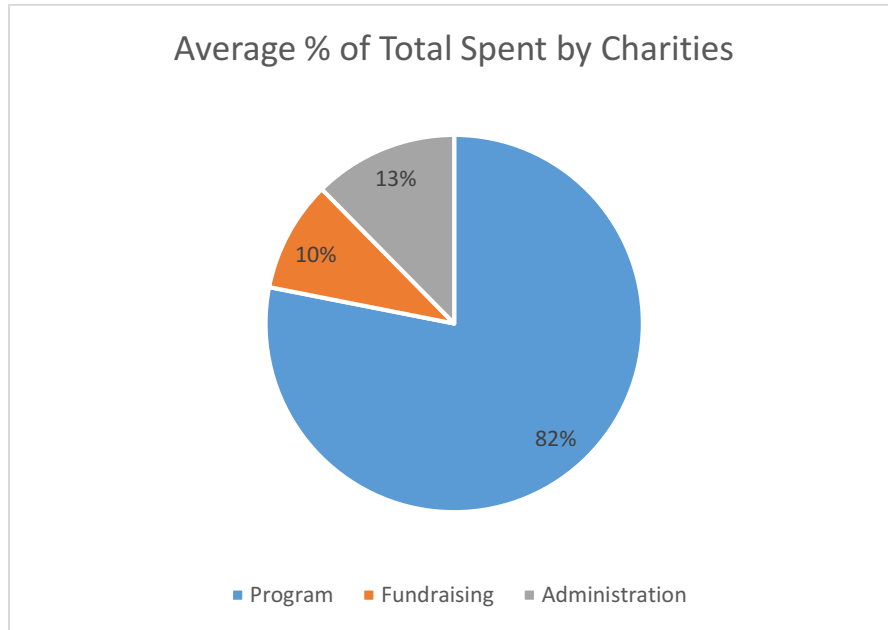
At each session, BBB staff members provide a comprehensive look at the Standards, offering guidance about how to meet each one, and additional related information. Charity leaders are encouraged to ask questions and provide feedback about the Standards at such programs. Interesting questions and insights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

2017 BBB Charity Standards Workshops

February 10, 2017	Workshop - at Foundation Center office (36 attendees)
May 18, 2017	Workshop – at BBB in NYC (12 attendees)
June 27, 2017	Workshop - at Foundation Center office (15 attendees)
August 16, 2017	Webinar (16 attendees)
October 25, 2017	Workshop – at BBB in NYC (5 attendees)
November 17, 2017	Workshop - at BBB in NYC (5 attendees)

Overview of Charity Accountability Program, 2017

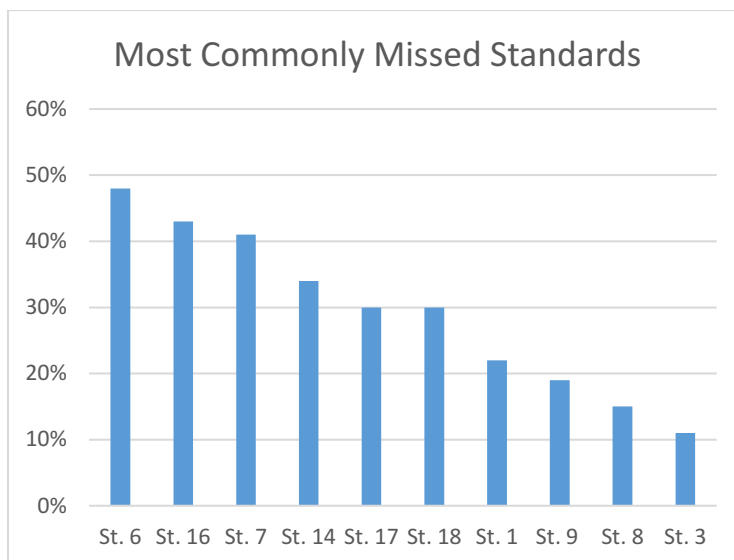
765 Reviewed Organizations:



Of the 450 charities given complete reviews, 371 (82%) met all Standards vs. 83% in 2016; 79 (18%) failed one or more Standards vs. 23% in 2015. Out of 765 total reports, 315 (41%) were Nondisclosure reports.

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

BBB Standards Missed by Evaluated Charities, 2017



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. (38)

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. (34)

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. (32)

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. (27)

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. (24)

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. (24)

1. Oversight. A board of directors that provides adequate oversight of charity's operations and staff. (17)

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. (15)

8. Program Activities Expenses. Spend at least 65% of the organization's total expenses on program activities. (9)

3. Governance Meetings. A minimum of three evenly spaced meetings per year of the full governing body with a majority in attendance, with face-to-face participation. (12)

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.

Over \$4 Billion

Total publicly-solicited *contributions* revenue received by charities reported on by Metro NY BBB Foundation, 2017

Analysis of BBB Charity Report Data

Field/Focus Area

The charity categories that were included in 2017 Metro New York BBB Charity Reports are listed below from largest to smallest (excludes nondisclosure reports):

Category	Number (N=450)	Percent
Health & Human Services	174	39%
Children, Youth & Families	77	17%
Arts & Culture	62	14%
Community Development & Civic	50	11%
Education & Literacy	30	7%
Animals & the Environment	25	6%
Law & Public Interest	15	3%
Religious	5	1%
General	5	1%
Police & Firefighter	5	1%
Veterans & the Military	2	.4%

Regional Breakdown (includes *all* charities covered in 2017 Metro NY reports)

- **561 (73%)** of the charities are from the 5 boroughs of New York City
- **141 (18%)** of the charities are located in Long Island
- **61 (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: **\$4,063,579,607 (\$4 billion+)**
- The average of total public support received: **\$9,214,466**

BBB Charity Reports

New York Websites: 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 December 2017, there were 765 Metro New York area BBB charity reports, and about 1,300 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 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 review or 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 **44,353+ unique pageviews** and **53,414 overall pageviews** for BBB Foundation content pages, including charity-related web pages, at newyork.bbb.org from January 1 – December 31, 2017. 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 *Get More Money Now* 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 2017, the Metro NY BBB Accredited Charity Seal program included **196 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 complete a questionnaire and submit financial statements and fundraising materials. 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. 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 also recognized in the year-round *Guide to Charity Seal Holders*, published on the Metro New York BBB website landing pages at newyork.bbb.org and ny.give.org.

LOOK FOR THE SEAL.
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**.

20 BBB Standards for Charity Accountability:

1. Financial Soundness
2. Mission Statement
3. Financial Statements
4. Financial Statements
5. Financial Statements
6. Financial Statements
7. Financial Statements
8. Financial Statements
9. Financial Statements
10. Financial Statements
11. Financial Statements
12. Financial Statements
13. Financial Statements
14. Financial Statements
15. Financial Statements
16. Financial Statements
17. Financial Statements
18. Financial Statements
19. Financial Statements
20. Financial Statements

Charities that are BBB Accredited:

- American Red Cross
- United Way
- Various local nonprofits

Look for the BBB Accredited Charity Seal.

The symbol of your choice to give with trust is the BBB Accredited Charity Seal. It's your assurance that the charity meets the rigorous 20 BBB Standards for Charity Accountability. It's your assurance that the charity meets the rigorous 20 BBB Standards for Charity Accountability.

Scan the QR code to find out more about the BBB Accredited Charity Seal. It's your assurance that the charity meets the rigorous 20 BBB Standards for Charity Accountability.

The two-page BBB Charity Seal Holder ad as it appeared in the *New York Daily News*, November 2017.

Give With TrustSM BBB Charity Information PSA Campaign Re-Issued in 2017

With generous professional assistance contributed by Conversation LLP, 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 2017. New broadcast PSA uses were reported in 2017. We will encourage additional PSA placements for these messages in 2018.



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.

Projects such as ***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

Toma control de tus deudas
Take Control of Your Debt

November 15, 2017



WXTV Univision 41 Reporter Berenice Gartner, broadcasted live from BBB-Metro NY, while Hispanic Advisory Committee Chair Dawn Carrillo, Vice President of US Field Marketing at TD Bank, answered a call in her role as captain of the call center. Spanish-speaking volunteers (shown in photo) assisted consumers who called to ask about legitimate sources of help with debt problems.

On November 15, 2017, the BBB Foundation presented its eighth "BBB Live" program for Spanish speakers in collaboration with Univision 41 A Tu Lado and with generous sponsorship by MLB Advanced Media. The program *Take Control of Your Debt / Toma control de tus deudas* provides useful tips to the public about how to manage debt issues, as well as information about consumer assistance resources. The project's educational content for consumers remains posted on the BBB website at bbb.org/new-york-city/debt and bbb.org/new-york-city/deudas.

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: 387

- Consumer inquiries handled only by telephone, November 15: 268
- Follow-ups at consumer request with further information about debt sent in Spanish by email or mail: 17
- Call-backs completed: 111

2017 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 26 volunteers (of 36 pre-registered) who answered calls during the 2017 BBB Live event, 10 of them came from TD Bank. Participating volunteers came from the following companies and organizations:

- 100 Hispanic Women
- ABC Airport & Limousine Service
- Alliance of New York Family Councils
- Credit S
- EA Credit Services
- Fiscal Management Associates LLC
- IBM
- Money Management International
- New York City Division of Financial Services
- Seton Hall University
- PricewaterhouseCoopers LLP
- TD Bank



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



Berenice Gartner of Univision 41 conducted an additional Facebook Live webcast from the BBB call center.

Additional 2017 Results from Previous BBB Live Programs

- Debt-related BBB Live content from 2017 and prior years *in English* received **1,522** unique pageviews in 2017 (1,764 total pageviews).
- Debt-related BBB Live content from 2017 and prior years *in Spanish* received **638** unique pageviews in 2016 (801 total pageviews).
- Student loan-related BBB Live content from prior years *in English* received **1,089** unique pageviews in 2017 (1,224 total pageviews).
- Student loan-related BBB Live content from prior years *in Spanish* received **463** unique pageviews in 2017 (519 total pageviews).
- Identity theft-related BBB Live content from prior years *in English* received **36** unique pageviews in 2017 (41 total pageviews).
- Identity theft-related BBB Live content from prior years *in Spanish* received **41** unique pageviews in 2017 (48 total pageviews).

Total Tracked Instances of Service, BBB Live Programs Active in 2017: 4,176

Education for Businesses

BBB Forum on Corporate Responsibility X June 6, 2017



BBB Foundation of Metro New York is grateful to our generous sponsors of BBB Forum 2017: Major Sponsor **EY**; Benefactor Sponsors **New York Daily News, MLB Advanced Media, Nielsen**, and **Verizon**; and Friend Sponsor **S&P Global**. **Corporate Responsibility Magazine** was the event's Media Supporter, and an additional 17 organizations provided Event Support to generate awareness and attendance.

An attentive crowd of 119 attendees and speakers filled the Victor Borge Hall at Scandinavia House in New York City at the June 6, 2017 BBB Forum on Corporate Responsibility (out of 146 non-staff registrants, a high 82% attendance rate). Attendees included senior executives from major corporations, business associations, consulting firms, nonprofits, academic institutions, media organizations, and BBB staff.



BBB Forum 2017 Keynote Speaker Crystal Barnes of Nielsen.

Keynote speaker **Crystal Barnes, Vice President, Global Responsibility and Sustainability of Nielsen**, provided participants with a valuable review of Nielsen's sustainability journey. Then, a series of distinguished presenters discussed a wide variety of current topics, including issues such as corporate responsibility trends, stakeholder engagement, non-financial performance and true value, investor perspectives on ESG data, and the UN Sustainable Development Goals.



Leading the Way panel, L to R: Eric Gertler, Co-Chairman and Co-Publisher, New York Daily News, and Co-Chairman, U.S. News & World Report, *Moderator*; Keith Mestrich, President and CEO, Amalgamated Bank; Jennifer Ryan Crozier, Vice President, IBM Corporate Citizenship and President, IBM International Foundation; Kathryn Wylde, President & CEO, Partnership for New York City, Timothy McClimon, Senior Vice President, Corporate Social Responsibility and President, American Express Foundation; and Claire Rosenzweig, CAE, President and CEO, BBB Serving Metropolitan New York.



Alison Taylor, Director, Advisory Services, BSR, discussed stakeholder engagement for inclusive business.



Elodie Timmermans, Senior Manager, Climate Change and Sustainability Services, EY, provided insights about nonfinancial performance.



Chris Walker, Director-North America, World Business Council for Sustainable Development, provides an update about the U.N. Sustainable Development Goals.



Scott Kalb, Chairman, Sovereign Investor Institute, CEO Founder, KLT Advisors, Fellow and Senior Advisor, Bretton Woods II, New America, discusses ESG risks.

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 2017

In 2017 our Volunteer Intern Program activities continued to be strong:

- There were 59 interns in all for the 2017 year
- Volunteer interns contributed 7,198 hours of training and service
- Cases/reports completed with intern assistance totaled 26,164

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 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










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
8,623	Total	56	Total	23,020	Total

Intern Hours for 2015		Number of 2015 Interns		Cases/Reports Assisted by Interns in 2015	
2,413	Charity Accountability	14	Charity Accountability	149	Charity Accountability
6,166	NYC (Dispute Resolution)	39	NYC (Dispute Resolution)	21,931	NYC (Dispute Resolution)
395	Mid-Hudson	4	Mid-Hudson	612	Mid-Hudson
8,974	Total	57	Total	22,692	Total

Interns are actively recruited from a wide variety of schools. For example, colleges attended by recent interns have included Baruch College, Brooklyn College, Columbia University, Cornell University, Fordham University, John Jay College of Criminal Justice, The New School, New York University, Pace University School of Law, Seton Hall University, the University of Michigan, Borough of Manhattan Community College, Medgar Evers College, University of Phoenix, and the University of Rochester. BBB staff members visit career fairs at colleges and post intern opportunities online to attract candidates, who are then selectively screened.

Intern Career Meetings with Leading Executives

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 2017, career meeting speakers included high-profile BBB and BBB Foundation Board members.

		
<p>Pamela Haas, Manager, Corporate Citizenship & Corporate Affairs, IBM Corporation</p>	<p>John Simone, Director of Global Sustainability & Social Responsibility, Colgate Palmolive</p>	<p>Michael Portegello, Partner – Assurance Services, Northeast Growth Markets Leader, EY</p>
		
<p>Steve Perazzoli, Partner – Financial Services Industry, PricewaterhouseCoopers LLP</p>	<p>David Okorn, Executive Director, Long Island Community Foundation</p>	<p>Richard Brown, Vice President – Philanthropy, American Express</p>
		
<p>Hilda Polanco, Founder and CEO, Fiscal Management Associates LLP</p>	<p>Kerri Holloway, Vice President, CRA Investments and Administration, BNY Mellon</p>	<p>Rhonda McLean, Deputy General Counsel, Time Inc.</p>

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 2017 Dispute Resolution (DR) intern commented: "Without this internship, I wouldn't have gotten my job [...] so thank you!" Another DR intern from Spring 2017 wrote: "I believe I obtained a greater ability to think through issues." And an additional intern commented: "The internship helped me improve my customer service skills." 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 2017 Charity Accountability Program intern answered: "I was really pleased with the structure and support of the internship and the BBB as an organization. All the processes were highly organized, intern expectations were clear, resources were readily available, and the office culture was warm and inviting."

When invited to provide comments, a Summer 2017 Charity Accountability Intern wrote: "I thoroughly enjoyed my experience at the BBB. I felt that my work was appreciated, I was entrusted with responsibility, and I learned about a variety of nonprofit organizations."

Another 2017 intern remarked: "Thanks for the amazing internship!"

We are grateful to **BNY Mellon, Colgate-Palmolive, Grey Global Group, Krantz Family Foundation, MLB Advanced Media** and BBB Board Chairman **Michael Portegello** for their generous donations in support of the BBB Foundation's Skill-Building Volunteer Intern Program in 2017.



Summer 2017 interns in the Manhattan BBB office.



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 association 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 BBB system.

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 2017, 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*; charitySTRONG; the Ahead of the Curve collaborative group of nonprofit associations; the Human Service Council's Resilience Task Force; and additional collaborations with nonprofit groups such as Foundation Center and Association of Nonprofit Specialists for educational purposes. These relationships are ongoing in 2018.

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

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. and Canada 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 160 million times.

In 2017, the Metropolitan New York BBB provided over 5.7 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 and 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.

Metro New York BBB Foundation Board of Directors and Officers 2017

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Fiscal Management Associates, LLC

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Manager, Corporate Citizenship &
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Metro New York BBB Foundation Statement of Activities 2017

	Year Ended December 31, 2017		
	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
Support and other revenues:			
Contributions	\$ 143,306	\$ 131,500	\$ 274,806
Interest income	2,042		2,042
Seal Program income	199,136		199,136
Seal Review income	15,000		15,000
Income from related party	11,472		11,472
Donated services**	170,667		170,667
	<u>541,623</u>	<u>131,500</u>	<u>673,123</u>
Net assets released from restrictions due to satisfaction of program restrictions	124,470	(124,470)	0
	<u>666,093</u>	<u>7,030</u>	<u>673,123</u>
Total support and other revenues	<u>666,093</u>	<u>7,030</u>	<u>673,123</u>
Expenses:			
Program services:			
Charity Accountability Program (C.A.P.)	282,940		282,940
Educational initiatives	268,532		268,532
Total program services	<u>551,472</u>		<u>551,472</u>
Supporting services:			
Management and general	57,962		57,962
Fund-raising	15,920		15,920
	<u>73,882</u>		<u>73,882</u>
Total supporting services	<u>73,882</u>		<u>73,882</u>
Total expenses	<u>625,354</u>		<u>625,354</u>
Change in net assets	40,739	7,030	47,769
Net assets – January 1	698,449	156,983	855,432
	<u>\$ 739,188</u>	<u>\$ 164,013</u>	<u>\$ 903,201</u>
Net assets – December 31	<u>\$ 739,188</u>	<u>\$ 164,013</u>	<u>\$ 903,201</u>

** Donated services were for *pro bono* media to distribute educational public service announcements (PSAs) and volunteer professional services, as well as time contributed by volunteers. In-kind donations were lower in 2017, since the previous 2016 year included a one-time grant of professional services valued at \$154,871. In addition, changes in media PSA donation policies (Google AdWords Grants) reduced the potential for donated PSA value in 2017.

A copy of the latest annual report for the Education and Research Foundation of the Better Business Bureau of Metropolitan New York may be obtained, upon request, from the organization or from the Office of the Attorney General, 120 Broadway, New York, NY 10271. Contact: Education and Research Foundation of the Better Business Bureau of Metropolitan New York, Inc., 30 East 33rd Street, 12th Floor, New York, NY 10016, 212.533.6200.