



## 2014 Results Summary: Metro NY BBB Charity Reports

from the Metro New York  
Better Business Bureau Foundation  
Charity Accountability Program

Each year, the Better Business Bureau's Education and Research Foundation (BBB Foundation) reviews hundreds of Metro New York area charities against the 20 [BBB Standards for Charity Accountability](#) and publishes reports of its findings on its website at [ny.give.org](#) for the benefit of the public. The BBB Standards examine charity performance in an array of important areas such as governance, financial management, effectiveness self-assessment, accuracy and transparency in fundraising solicitations and privacy protection.

As of **November 3, 2014**, the continuously updated BBB websites at [ny.give.org](#), [give.org](#) and [newyork.bbb.org](#) include detailed information on over **830** charities soliciting in the Metro New York area. BBB websites also provide access to over **1,300** BBB Wise Giving Alliance reports on nationally and internationally soliciting charities, as well as thousands of local BBB charity reports from other parts of the nation – about **11,000** such BBB reports in all.

We are pleased to share the latest annual update about the Metro New York BBB charity reports that are online in November 2014. For more information about the BBB's Charity Accountability Program or any of the information listed below, please contact Peter Espinoza, Charity Accountability Senior Program Manager, at 212-358-2815 or via email at [pespinoza@newyork.bbb.org](mailto:pespinoza@newyork.bbb.org).

### Compliance with BBB Standards

**Of the *total* number of charities with Charity Accountability reports as of November 3, 2014 (811+):**

- **64%** of the charities included were evaluated against the BBB's 20 Standards for Charity Accountability. (**518 charities**)
- **35%** of the charities did not respond to requests to disclose information voluntarily, in order for BBB Foundation to prepare a charity report. (**283 charities**)
- **1%** of the charities included were not evaluated against the BBB Standards for Charity Accountability because they were either too new, too small, or did not earn a substantial portion of their revenue from public donations. (**10 charities**)

*+Total charities minus reports currently in progress (19).*

**Of the charities evaluated against the BBB's 20 Standards:**

- **78%** of charities met all BBB Standards (**404 charities**).
- **22%** of the charities did not meet one or more BBB Standards (**114 charities**).

## Demographics\*

### Gender Breakdown

- **48%** were headed by male CEOs and **51%** by female CEOs. **1%** of organizations did not provide CEO information or did not have CEOs.
- **66%** of the Boards of Directors were headed by a male Board Chair and **30%** by a female Board Chair. Organizations that did not provide Board Chair information or did not have a Board Chair totaled **4%**.

### Governance Breakdown

- The average number of board members for organizations covered: **21**
- The average number of board meetings per year: **5**
- The average attendance of board members at board meetings: **70%**

### Regional Breakdown (includes all charities covered in BBB Foundation reports at this time)

- **583 (70%)** of the charities are from the 5 boroughs of New York City.
- **182 (22%)** of the charities are located in Long Island.
- **65 (8%)** of the charities are located in the Mid-Hudson Region.

### Field/Focus Area

The giving categories that are included in current BBB Foundation charity reports are listed below from largest to smallest:

Category (518)	Number	Percent
Health & Human Services	<b>199</b>	<b>38.5%</b>
Children, Youth & Families	<b>100</b>	<b>19.3%</b>
The Arts & Culture	<b>75</b>	<b>14.5%</b>
Community Development & Civic	<b>55</b>	<b>10.6%</b>
Animals & the Environment	<b>32</b>	<b>6.2%</b>
Education & Literacy	<b>31</b>	<b>5.9%</b>
Law & Public Interest	<b>14</b>	<b>2.7%</b>
Religious	<b>4</b>	<b>.8%</b>
General	<b>8</b>	<b>1.5%</b>

\*excludes charities that did not disclose information

## Financial Data\*

**Total Public Support** (for charities covered in full BBB Foundation reports, *includes donations, corporate and government grants and in-kind services*)

The total amount of public support received: **\$4,121,587,199 (\$4.1 billion)**

- The average of total public support received: **\$7,660,943**
- The median of total public support received: **\$2,060,544**

**Total Revenue** (for charities covered in full BBB Foundation reports, *includes earned-income, government contracts, and public support*)

Total amount of revenue from all sources: **\$10,050,152,580 (\$10 billion)**

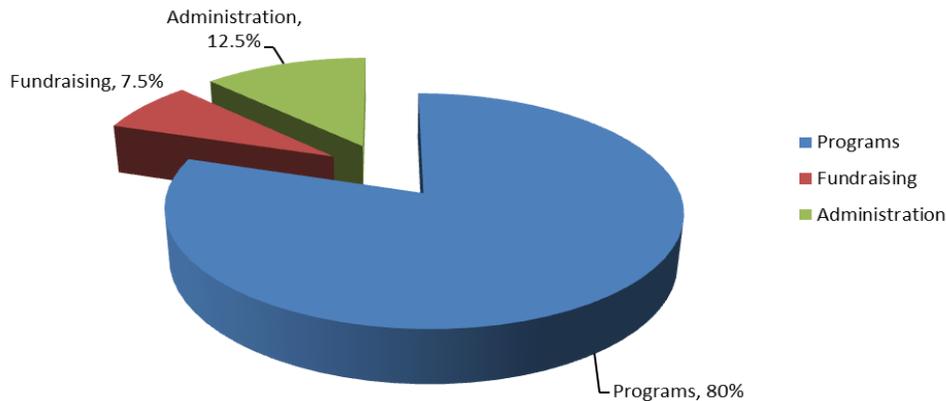
The smallest amount of total support received by an individual charity: **\$404**

The largest amount of total support received by an individual charity: **\$226,417,000**

\*excludes charities that did not disclose information

## Average Spending Ratios\*

### Average % of Total Spent by Charities in 2014



The following expense ratios are based on the total expense amounts of disclosing organizations covered in BBB Foundation charity reports at this time:

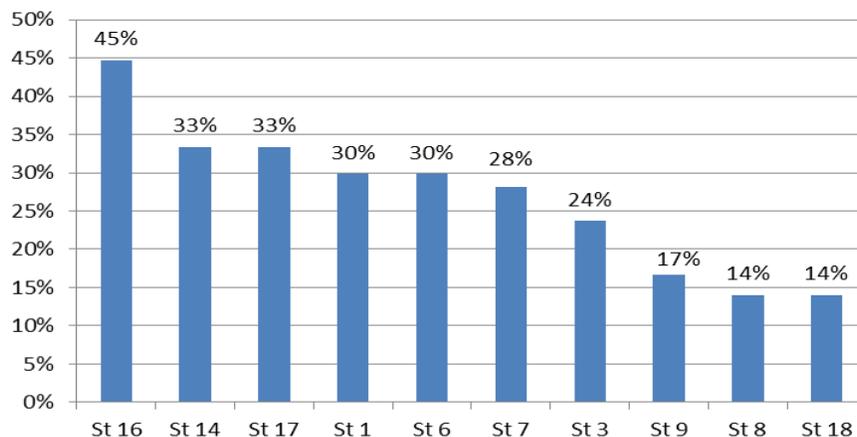
- Organizations spent an average of **80%** of total expenses on program services.
- Organizations spent an average of **12.5%** of total expenses on administration.
- Organizations spent an average of **7.5%** of total expenses on fundraising.

Organizations spent an average of **13.4%** of their total public support on fundraising. In other words, **13.4** cents of each donated dollar was spent on fundraising.

**NOTE:** BBB Wise Giving Alliance recently joined forces with GuideStar and Charity Navigator to declare publicly that while “overhead” ratios provide useful information, taken *by themselves* they do not provide an appropriate or effective way of assessing a charity’s trustworthiness or value. The three letter signers are calling upon donors, nonprofits and others to take a more holistic approach when considering charity performance. For more details, see the two “Overhead Myth” letters from the heads of these three organizations, posted online at [www.overheadmyth.com](http://www.overheadmyth.com).

*\*excludes charities that did not disclose information*

### Most Commonly Failed Standards



**Additional Performance Details  
on BBB Standards Missed by Reviewed Charities**

***The most commonly failed Standards for the 114 reviewed charities  
not meeting one or more BBB Standards for Charity Accountability  
in 2014***

<b>Missed BBB Standard:</b>
<b>16. Annual Report.</b> 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. <b>(51)</b>
<b>14. Board-Approved Budget.</b> Have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fund raising, and administration. <b>(38)</b>
<b>17. Website Disclosures.</b> 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. <b>(38)</b>
<b>1. Oversight.</b> A board of directors that provides adequate oversight of charity's operations and staff. <b>(34)</b>
<b>6. Effectiveness Assessment Policy.</b> 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. <b>(34)</b>
<b>7. Effectiveness Reporting to Governance.</b> 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. <b>(32)</b>
<b>3. Governance Meetings.</b> A minimum of three evenly spaced meetings per year of the full governing body with a majority in attendance, with face-to-face participation. <b>(27)</b>
<b>9. Financial Management.</b> 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. <b>(19)</b>
<b>8. Program Activities Expenses.</b> Spend at least 65% of the organization's total expenses on program activities. <b>(16)</b>
<b>18. Privacy.</b> Address privacy concerns of donors by (a) 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 (b) 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. <b>(16)</b>

*Note: Some organizations missed more than one Standard. This is why the total number of missed Standards is greater than 114.*