ANNUAL REPORT
2014-2015

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: Young people will be given skills and experiences that can help them become ethical leaders in businesses and nonprofits.

VI: The organization’s capacity will be enhanced through the further development of board, staff, financial resources, and partnerships and collaborations.

BBB Foundation Impact Snapshot, 2015

- 1,434 educational event, webinar and livestream participants
- 784 Metro NY BBB Charity Reports
- 57 volunteer interns with 8,974 hours of training and service
- 3,064 instances of service – BBB Live programs active in 2015, including auto loans, student loans, debt & identity theft content
- 600,000 copies of *Get More Money Now* financial literacy brochure in print, plus 455,747 unique users visiting content online
Core Program: Charity Accountability

BBB Foundation 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 780 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 2015 through voluntary general donations provided by 2,412 BBB Accredited Businesses, 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, formerly known as the New York Philanthropic Advisory Service or 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 local BBB charity accountability programs in the country.

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 valuable.
BBB Charity Effectiveness Program Series

In 2015, we were honored to have the support of KPMG LLP, EmblemHealth, The New York Community Trust and EisnerAmper LLP as generous overall co-sponsors of our ninth 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, SeaChange Capital Partners, and KPMG LLP.

Summary of activities:

- **BBB Charity Effectiveness Symposium IX, February 24, 2015**: The BBB Foundation’s ninth Charity Effectiveness Symposium, entitled *Designing the Future for Success and Sustainability*, 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 many other nonprofit organizations. There were 387 event registrants, including speakers and staff, the most ever. On the event day, we noted attendance by 290 participants, including charity executives, philanthropic leaders, consultants, staff and other interested parties.

- **Workshop, March 18, 2015**: With sponsorship from EisnerAmper LLP, the BBB Foundation presented *Fundraising: the Inside Story*. This workshop focused on how organizations should use financial reports to convey how donations are spent. Presenters were Julie Floch, CPA, Partner and Director, Not-for-Profit Services, and Candice Meth, CPA, Senior Manager, Not-for-Profit Services of EisnerAmper LLP. This program was held at Scandinavia House in Manhattan. Human Services Council and NYCharities.org were the Event Supporters. The program drew a “sold-out” group of 112 registrants, with 98 attendees logged as present on program day, not including staff.

- **Workshop, April 29, 2015**: With sponsorship from EisnerAmper LLP, the BBB Foundation presented *Budgeting 2.0: Basics and Beyond*. This program focused on budgeting best practices and management uses of budgets. Presenters were Julie Floch, CPA, Partner and Director, Not-for-Profit Services, and Candice Meth, CPA, Senior Manager, Not-for-Profit Services of EisnerAmper LLP. This sold-out event was held at Scandinavia House in Manhattan. Event Supporters were Human Services Council and NYCharities.org. There were 115 registrants; on event day we checked in 97 attendees, not including staff.

- **Workshop, September 16, 2015**: With sponsorship from SeaChange Capital Partners, the BBB Foundation presented *Money for Mission: Possibilities & Pitfalls of Non-Grant Financing*. John MacIntosh, Partner, SeaChange Capital Partners, moderated a panel discussion about types of non-grant funding and potential pitfalls of seeking and accepting such funding. Panelists were Plinio Ayala, President & CEO, Per Scholars; Mark Cohen, Chief Legal Officer and Assistant Secretary, FJC; Brenda Loya, Senior Business Development Officer, Financial Services, Nonprofit Finance Fund; and Michelle Neugebauer, Executive Director, Cypress Hills Local Development Corporation. Event Supporters were Baruch College School of Public Affairs, Human Services Council, NYC Department of Youth and Community Development, New York Society of Association Executives, Nonprofit Coordinating Committee of New York, Inc., NYCharities.org, and United Way of New York City. There were 92 registrants, with 67 attendees logged as present on the event day, not including staff.
• **Workshop, November 12, 2015**: With sponsorship from KPMG LLP, the BBB Foundation presented *Strategic Planning for Mission Impact*. Paula Gavin, Chief Service Officer, NYC Service, moderated a discussion about how nonprofits can use strategic planning to achieve their mission. Panelists were Richard Berlin, Executive Director, Harlem RBI; Joyce Dudley, President, Dudley Hamilton Associates, Inc.; David Garza, Executive Director, Henry Street Settlement; and Jennifer Jones Austin, CEO & Executive Director, Federation of Protestant Welfare Agencies. Event Supporters were Baruch College School of Public Affairs, Human Services Council, NYC Department of Youth and Community Development, New York Society of Association Executives, Nonprofit Coordinating Committee of New York, Inc., NYCharities.org, and United Way of New York City. There were 115 registrants, with 94 attendees logged as present on the event day, not including staff.

• **Website Update; Email Promoting 2015 Symposium Video & Whitepaper Distributed on November 19, 2015**: The online resource at newyork.bbb.org/charityeffectiveness, entitled *Learn About Charity Effectiveness*, has been updated with new content including links to the 2015 videos and whitepaper summary, as well as content from prior Symposium events, plus selected resources related to charity effectiveness issues. We have promoted awareness of this resource with email notices to charities and other BBBs.

**BBB Charity Effectiveness Symposium, February 24, 2015**

[Image of participants]

Attentive participants at the 2015 BBB Charity Effectiveness Symposium, in the packed plenary hall.

[Image of panelists]

Developing Talent: Building Success from Inside Out panelists, L to R: David S. Birdsell, Dean and Professor, Baruch College School of Public Affairs, *moderator*; Jeremy Kohomban, Ph.D., President & CEO, The Children’s Village; Wayne Ho, Chief Program and Policy Officer, Federation of Protestant Welfare Agencies; and John Sanchez, Executive Director, East Side House Settlement.

96% (78 out of 81) of Symposium survey respondents said they would use information from the program in their work.
Karen Rosa, Vice President and Executive Director, Altman Foundation, presented her Keynote Address *Success and Sustainability: Moving from LOI to Repeat Grantee.*

Operational Excellence and Sustainability: Key Elements panelists, L to R: Hilda H. Polanco, Founder and CEO, Fiscal Management Associates, LLC; moderator; Charles Buice, President, Tiger Foundation; Sam Schaeffer, Executive Director and CEO, Center for Employment Opportunities; and Warren Scharf, Executive Director, Lenox Hill Neighborhood House.

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

Julie Floch, CPA and Candice Meth, CPA of EisnerAmper speak at the sold-out *Fundraising* workshop.

Candice Meth, CPA and Julie Floch, CPA of EisnerAmper speak at the sold-out *Budgeting 2.0* workshop.
Panelists at the *Money for Mission* workshop, L to R: John MacIntosh, moderator; Brenda Loya, Mark Cohen, Michelle Neugebauer, and Plinio Ayala.


**BBB Charity Webinar – Nonprofit Financial Reporting: Understanding Important New Changes Proposed by FASB**

On May 21, 2015, with sponsorship from EisnerAmper LLP and in partnership with the BBB Wise Giving Alliance, BBB Foundation presented a no-cost webinar titled *Nonprofit Financial Reporting: Understanding Important New Changes Proposed by FASB*. Presenters were Julie L. Floch, CPA, Partner-in-Charge, Not-for-Profit Services, EisnerAmper LLP, and Candice Meth, CPA, Partner, Not-for-Profit Services, EisnerAmperLLP. There were 291 attendees, of 407 registrants, from across the country for this webinar. In addition, the web page hosting the recording of this webinar registered a further 766 unique pageviews in 2015.

BBBs across the system helped to promote this webinar, including BBB organizations in Austin, Buffalo, Houston, New Jersey, Richmond, and Worcester, and other locations.
Local partners in New York who helped to promote the webinar include Council of Urban Professionals Leadership Institute, Foundation Center, Human Services Council, New York Council on Nonprofits, New York State Society of CPAs, Nonprofit Coordinating Committee of New York, NYCharities.org, and Philanthropy New York.

This webinar was recorded, and the recording remains available on the Metro NY BBB Foundation website at ny.give.org.

**BBB Charity Workshop – Cybersecurity Planning for Nonprofit Leaders**

On October 20, 2015, with generous sponsorship from American Express, and in collaboration with the BBB Wise Giving Alliance and Council of Better Business Bureaus, Metro New York BBB’s Foundation presented an in-person and livestreamed workshop entitled *Cybersecurity Planning for Nonprofit Leaders*.

Bill Fanelli, CISSP, Chief Security Officer, Council of Better Business Bureaus, moderated a panel discussion about how nonprofits can protect against cybersecurity risks. Panelists were Elana Broitman, Shareholder, Greenberg Traurig, LLP; Andre Bromes, Senior Vice President and Chief Information Officer, Goodwill Industries of Greater New York and Northern New Jersey; Westley P. McDuffie, Security Evangelist, IBM Corporation; and Andrew C. Toner, Partner, Financial Services Cyber Security and Privacy, PricewaterhouseCoopers LLP.
Event Supporters included Baruch College School of Public Affairs, Human Services Council, NYC Department of Youth and Community Development, Nonprofit Coordinating Committee of New York, Inc., NYCharities.org, and United Way of New York City. BBBs across the system throughout the U.S. also promoted the livestream component of the program.

There were 53 in-person attendees at the workshop, not including staff, of 79 registrants. We observed 224 registrants for the livestream, including a few individuals who registered after the livestream began. As of December 31, 2015, 40 additional individuals registered to view the recording of the program online. By March 14, 2016, the livestream web page containing the program recording had logged 463 pageviews (including some multiple views by the same persons) over the course of 4 months. The video recording of this program is being migrated to the BBB Foundation’s Learn About Charity Effectiveness website in 2016, so that this workshop’s content may be made even more accessible to nonprofits in the future.

**BBB Charity Standards Briefings**

In 2015, 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 10 such workshops in 2015, with 155 attendees; off-site presentations were hosted by the Wilmington Trust, Long Island Community Foundation, Youth INC, New York City Department of Youth and Community Development, and Bridgespan’s CFO group. BBB Foundation presented its first Standards Webinar in 2015 as well. Additional workshops and webinars are taking place in 2016.

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.

**2015 BBB Charity Standards Workshops**

- **January 14, 2015**  
  Workshop - at Wilmington Trust office (20 attendees)
- **April 14, 2015**  
  Workshop - at BBB in NYC (23 attendees)
- **April 23, 2015**  
  Workshop - with LICF in Greenport, Long Island (7 attendees)
- **May 6, 2015**  
  Workshop - at Youth INC office (6 attendees)
- **June 24, 2015**  
  Workshop - at BBB in NYC (23 attendees)
- **July 15, 2015**  
  Workshop - at DYCD office (21 attendees)
- **August 18, 2015**  
  Workshop - at BBB in NYC (15 attendees)
- **September 30, 2015**  
  Workshop - at Bridgespan office (8 attendees)
- **October 15, 2015**  
  Webinar (23 attendees)
- **October 27, 2015**  
  Workshop – at DYCD office (9 attendees)
Overview of Charity Accountability Program, 2015

For 504 Reviewed Organizations:

Average % of Total Spent by Charities

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<th></th>
<th>Meets All</th>
<th>Does Not Meet</th>
<th>Non-Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs</td>
<td>390</td>
<td>114</td>
<td>277</td>
</tr>
<tr>
<td>Administration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td></td>
<td></td>
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</tbody>
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Of the 504 charities given complete reviews, 390 (77%) met all Standards vs. 78% in 2014; 114 (23%) failed one or more Standards vs. 22% in 2014. Out of 781 total reports, 277 (35%) were Non-Disclosure reports.

Non-Disclosure means the charity failed or declined to respond to requests for information.
### Top 10 Commonly Missed BBB Standards

<table>
<thead>
<tr>
<th>Standard Description</th>
<th>Details</th>
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<tbody>
<tr>
<td><strong>6. Effectiveness Assessment Policy.</strong></td>
<td>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. (49)</td>
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<tr>
<td><strong>16. Annual Report.</strong></td>
<td>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. (45)</td>
</tr>
<tr>
<td><strong>17. Website Disclosures.</strong></td>
<td>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. (35)</td>
</tr>
<tr>
<td><strong>14. Board-Approved Budget.</strong></td>
<td>Have a board-approved annual budget for its current fiscal year, outlining projected expenses for major program activities, fund raising, and administration. (34)</td>
</tr>
<tr>
<td><strong>7. Effectiveness Reporting to Governance.</strong></td>
<td>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. (34)</td>
</tr>
<tr>
<td><strong>1. Oversight.</strong></td>
<td>A board of directors that provides adequate oversight of charity’s operations and staff. (26)</td>
</tr>
<tr>
<td><strong>3. Governance Meetings.</strong></td>
<td>A minimum of three evenly spaced meetings per year of the full governing body with a majority in attendance, with face-to-face participation. (23)</td>
</tr>
<tr>
<td><strong>9. Fundraising Expenses.</strong></td>
<td>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. (17)</td>
</tr>
<tr>
<td><strong>4. Compensated Board Members.</strong></td>
<td>Not more than one or 10% (whichever is greater) directly or indirectly compensated person(s) serving as voting member(s) on the board. Compensated members shall not serve as the board’s chair or treasurer. (16)</td>
</tr>
<tr>
<td><strong>8. Program Activities Expenses.</strong></td>
<td>Spend at least 65% of the organization’s total expenses on program activities. (15)</td>
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### Most Commonly Failed BBB Standards, 2015

![Bar chart showing the most commonly missed BBB Standards in 2015]

The two most-missed Standards concern the organization’s effectiveness assessment policy and annual report. Adequate website disclosures and board approval of the budget as required in Standards 17 and 14 are among the top most-failed Standards. Standards 7 and 1, relating to reporting effectiveness assessment results and board oversight continue to be missed by roughly the same number of charities. 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.
Analysis of BBB Charity Report Data

Field/Focus Area
The charity categories that were included in 2015 Metro New York BBB Charity Reports are listed below from largest to smallest:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent</th>
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</thead>
<tbody>
<tr>
<td>Health &amp; Human Services</td>
<td>39.4%</td>
</tr>
<tr>
<td>Children, Youth &amp; Families</td>
<td>18.7%</td>
</tr>
<tr>
<td>Arts &amp; Culture</td>
<td>13.1%</td>
</tr>
<tr>
<td>Community Development &amp; Civic</td>
<td>11.3%</td>
</tr>
<tr>
<td>Animals &amp; the Environment</td>
<td>7.3%</td>
</tr>
<tr>
<td>Education &amp; Literacy</td>
<td>5.6%</td>
</tr>
<tr>
<td>Law &amp; Public Interest</td>
<td>2.6%</td>
</tr>
<tr>
<td>Religious</td>
<td>1.0%</td>
</tr>
<tr>
<td>General</td>
<td>0.6%</td>
</tr>
<tr>
<td>Veterans &amp; the Military</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Regional Breakdown (includes all charities covered in 2015 Metro NY reports)
- 569 of the charities are from the 5 boroughs of New York City.
- 153 of the charities are located in Long Island.
- 64 of the charities are located in the Mid-Hudson Region.
- 2 of the charities are located in New Jersey (reported on behalf of NJ BBB)
- 1 of the charities is located elsewhere (in California; report transferred)

Governance Breakdown
- Average number of board members for organizations covered: 20
- Average number of board meetings per year: 5
- Average attendance of board members at board meetings: 71%

Gender Breakdown
- 56% of the charities were headed by male CEOs and 44% by female CEOs.
- 75% of the boards of directors were headed by a male board chair and 25% by a female board chair.

Total Public Support (includes donations, corporate and government grants, in-kind services)
- The total amount of public support received: $5,098,247,539 ($5.1 billion)
- The average of total public support received: $10,135,680
- The median of total public support received: $2,376,931

Total Revenue (earned-income, government contracts, and public support)
Of the organizations listed in 2015 Metro New York BBB Charity Reports, the total amount of revenue from all sources was $10,444,647,256 ($10.4 billion). The smallest amount of total support received by an individual charity was $5,947. The largest amount of total support received by an individual charity was $681,373,000.
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 March 14, 2016 there are over 780 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:
  - At least $250,000 or more in publicly solicited donations
  - Charity or charity leader has won awards, or is the subject of media attention
  - Evidence or reports that a charity or its leader may be involved in questionable or fraudulent activities
  - BBB has received inquiries about the charity in question
- Charities requesting a BBB Charity Report

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 tracked an estimated 104,766 unique page views for BBB Foundation content pages, including charity related web pages, at newyork.bbb.org from January 1 – December 31, 2015. Of these, approximately 73,059 unique page views (sessions) constituted views of Metro New York BBB Charity Reports. Technology upgrades have permitted us to enhance our tracking of this data, and we expect to continue to enhance our capability to track usage. The 2015 totals include 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 mini-site, events for charity leaders, and information for donors.

These totals also include statistics for BBB Foundation educational programs and materials, including for example:
- BBB Standards for Charity Accountability: 5,302 unique pageviews
- Get More Money Now financial literacy site, 2015 only: 5,207 unique pageviews
- BBB Live program content pages in English or Spanish for 2015, combined: 3,236 unique pageviews
- Proposed FASB Changes Webinar web pages: 766 unique pageviews
- BBB Symposium and Learn About Charity Effectiveness web pages, combined: 536 pageviews
BBB Accredited Charity Seal

As of December 2015, the Metro NY BBB Accredited Charity Seal program included 234 participating charities. The number of Seal Holders has remained fairly steady over the past year, with incoming new Seal Holders offsetting outgoing program participants, which departed for causes such as scaling up to the national level and seeking a national BBB Wise Giving Alliance Seal, or failing to maintain compliance with BBB Standards.

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 review. There is no cost for the review or to be accredited.

Charities complete a questionnaire and submit financial statements and fundraising materials. The resulting BBB 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 additional and optional program, only available for charities that first meet all BBB Standards in a BBB review. 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 newspaper 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.
“Give With Trust” BBB Charity Information PSA Campaign Re-Issued in 2015

With generous professional assistance contributed by Conversation LLP, the BBB Foundation created and launched a new Give With TrustSM series of PSAs for television, radio, print and digital media. The campaign was initiated in 2012, and re-issued during holiday time in 2014 and 2015; new broadcast PSA uses were reported for 2015 and early 2016. We will encourage additional PSA placements for these messages in 2016.

Give With Trust

Feel confident in the charity you choose. Before you give, check with the Better Business Bureau. They only accredit charities that meet all of their 20 high standards.

Give With Trust print PSA, 2012-2015
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. The Get More Money Now, BBB Live: Protecting Your Home, BBB Live: Take Control of Your Debt, BBB Live: Identity Theft—Could It Happen to You?, BBB Live: Student Loans – Study Your Options!, and BBB Live: Apply the Brakes to Unfair Auto Loans projects are some of our programs related to this initiative.

### BBB Live

*Frene los préstamos abusivos para autos*

*Apply the Brakes to Unfair Auto Loans*

**November 18, 2015**

On November 18, 2015 the BBB Foundation presented its seventh “BBB Live” program for Spanish speakers in collaboration with WXTV Univision 41 and with generous sponsorship by Popular Community Bank. The program *Apply the Brakes to Unfair Auto Loans/ Frene los préstamos abusivos para autos* provides useful information to the public about auto loans, including signs of an unfair loan, tips for visiting a dealership, and consumer assistance resources. The project’s educational content for consumers remains posted on the BBB website at bbb.org/new-york-city/autoloans/ and bbb.org/new-york-city/prestamosdeauto.
Bilingual volunteers assisted consumer callers in Spanish, offered to provide them with auto loan 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: 594**
- Consumer inquiries handled only by telephone, November 18: 154
- Follow-ups at consumer request with further information about auto loans sent in Spanish by email or mail: 184
- Call-backs completed: 206

**2015 Volunteers**
- Total inbound call volunteers, November 18: 23 (35 registered)
- Total BBB Staff volunteers for call-backs: 2
- Total volunteers: 26
- Total BBB Staff volunteers: 2

All the shifts were well staffed, including the all-important final shift. Volunteers came from the following companies and organizations:

- Popular Community Bank
- Fiscal Management Associates LLC
- Goodwill Industries of Greater NY & Northern NJ
- MBAF
- 100 Hispanic Women, Inc.
- NYC Administration for Children’s Services
- Verizon

Of the 23 volunteers who answered calls during the 2015 BBB Live event, not counting media participants, 6 of them came from Popular Community Bank.

**Additional 2015 Results from Previous BBB Live Programs**
- Student loan-related BBB Live content from prior years in English received 964 unique pageviews in 2015 (1,101 total pageviews).
- Student loan-related BBB Live content from prior years in Spanish received 479 unique pageviews in 2015 (541 total pageviews).
- Identity theft-related BBB Live content from prior years in English received 101 unique pageviews in 2015 (125 total pageviews).
- Identity theft-related BBB Live content from prior years in Spanish received 61 unique pageviews in 2015 (67 total pageviews).
- Debt-related BBB Live content from prior years in English received 772 unique page views in 2015 (855 total pageviews).
- Debt-related BBB Live content from prior years in Spanish received 93 unique page views in 2015 (107 total pageviews).

**Total Instances of Service, BBB Live Programs Active in 2015: 3,064**
In May 2006, with generous support from the FINRA Investor Education Foundation, BNY Mellon and BBB Military Line program of the Council of Better Business Bureau, and in collaboration with other BBB organizations across the U.S., the BBB Foundation launched and distributed a national public education campaign on credit and debt management, as well as basic saving and investing principles, entitled Get More Money Now (Más dinero ya) in both English and Spanish. In 2008 and 2010, FINRA Investor Education Foundation provided additional generous support to update, reprint, and re-distribute the Get More Money Now brochures. In 2011, FINRA Investor Education Foundation generously supported the printing and nationwide distribution of 45,775 more brochure copies in English.

In 2013, FINRA Investor Education Foundation generously commissioned a second update of the Get More Money Now program content in both languages, with a further printing and distribution of 100,000 brochures in English and 20,000 in Spanish, via 48 BBB locations and the FINRA Foundation. This project was completed and the updated brochure materials were printed and distributed through the BBB system and FINRA in early 2014. The matching website was also updated in early 2014. At this time we estimate that almost half a million Get More Money Now brochures in English and over 100,000 brochures in Spanish are in print, many of them already distributed to the public – about 600,000 in all. These brochures continue to be provided to consumers.

From inception on September 21, 2006 to December 31, 2015, records show that this website logged:
- 455,747 unique visitors
- 474,556 visits
- 18,674 returning visits (3.9%)
- 716,384 page views
- 1:51 pages/visit
- Visit duration average :39

Pages relating to common financial scams, resource information, credit issues and investment issues were the most popular with visitors.
An attentive crowd of 120 filled the conference center at EmblemHealth to hear senior executives and expert advisors discuss new trends in the corporate responsibility field at the June 10, 2015 BBB Forum on Corporate Responsibility (out of 149 total registrants, a relatively high 81% attendance rate).

Attendees included senior executives from major corporations, business associations, consulting firms, nonprofits, academic institutions, media organizations, and BBB staff.

A series of distinguished presenters discussed a wide variety of current topics, including issues such as engaging consumers around corporate responsibility issues, resilience in supply chains, and trends in sustainable finance.
Transformers:
How Corporate Responsibility Trends Are Changing Business Now

Keynote Speaker Deborah Holmes, Americas Director, Corporate Responsibility, EY

Corporate Responsibility Trends panel, L to R: Laura Gitman, Vice President, BSR, moderator; Pamela Gill Alabaster, Vice President, Global Corporate Responsibility, The Estée Lauder Companies; Amy Fenton, Global Leader, Public Development & Sustainability, Nielsen; Paula Luff, Vice President, Corporate Social Responsibility, Hess Corporation.

Engaging Consumers: The Language of Sustainability: Aman Singh, Vice President, Business + Social Purpose, Edelman

Trends in Sustainable Finance: Trevor D’Olier-Lees, Senior Director, Corporate Ratings – Infrastructure, Standard & Poor’s; Valerie Smith, Director, Corporate Sustainability, Citigroup

Resilient and Responsible Supply Chains: Nancy Gillis, Global Lead for Resilient and Responsible Supply Chains, EY; Matthew Rutter, Senior Manager, Climate Change and Sustainability Services, EY
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 2015

In 2015 our Volunteer Intern Program activities continued to be strong:
- There were 57 interns in all for the 2015 year
- Volunteer interns contributed 8,974 hours of training and service
- Cases/reports completed with intern assistance totaled 22,692

Development of Volunteer Intern Program Over 2 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 educational enrichment of the Volunteer Intern Program. The Charity Accountability Program will introduce new technology soon that will change how that department trains and guides its interns. Moving forward, we anticipate that these developments will enable us to provide even more educational experiences and allow the BBB Foundation to offer enhanced skill-development opportunities to interns.

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

<table>
<thead>
<tr>
<th>Intern Hours for 2014</th>
<th>Number of 2014 Interns</th>
<th>Cases/Reports Assisted by Interns in 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,697</td>
<td>Charity Accountability</td>
<td>17 Charity Accountability 301 Charity Accountability</td>
</tr>
<tr>
<td>6,776</td>
<td>NYC (Dispute Resolution)</td>
<td>35 NYC (Dispute Resolution) 20,617 NYC (Dispute Resolution)</td>
</tr>
<tr>
<td>1,658</td>
<td>Mid-Hudson</td>
<td>10 Mid-Hudson 1,536 Mid-Hudson</td>
</tr>
<tr>
<td>11,131</td>
<td>Total</td>
<td>62 Total 22,454 Total</td>
</tr>
</tbody>
</table>
Interns are actively recruited from a wide variety of schools. For example, colleges attended by recent interns have included Baruch College, Berkeley College, Borough of Manhattan Community College, Bronx Community College, Brooklyn College, City College, Fordham University, Hunter College, John Jay College of Criminal Justice, Long Island University, NYU, Pace University, Queensborough Community College, Seton Hall University, The New School, 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 2015, career meeting speakers included high-profile BBB and BBB Foundation Board members.

John Simone, Director, Global Sustainability & Social Responsibility, Colgate-Palmolive, BBB Board member

Paul Galiano, Senior Managing Director, Tishman Speyer, former BBB Board member

Alok Bhushan, Chief Financial Officer, Yext, BBB Board member

Ed DeSalvio, Managing Director, Asset Recovery Division, BNY Mellon, BBB Board member

Michael Brizel, Executive Vice President & General Counsel, Fresh Direct, BBB Board member
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 Fall 2015 Charity Accountability Program intern commented: “This internship not only met but exceeded my expectations. I did not anticipate the depth that the analysis process had and the various components that had to be reviewed.”

Asked whether they would use the skills they learned at BBB in the future, one 2015 Dispute Resolution intern responded: “I improved in so many ways. Most importantly I gained invaluable skills in public speaking, analytics, and consumer awareness.”

Another Fall 2015 intern wrote: “Thank you again for the wonderful opportunity! It has been a pleasure interning for the BBB and I’ve learned so many transferrable skills I will be using in the future.”

A Summer 2015 Mid-Hudson intern commented: “My training was perfect and I learned a lot more than I needed for the work I was assigned.”

One Summer 2015 intern added: “I loved being part of the BBB Family. Thank you for having me here.”

We are grateful to **BNY Mellon, Colgate-Palmolive, Fiscal Management Associates LLC, Tishman Speyer, Grey Global Group, Michael Portegello, Whitehead Foundation/John C. Whitehead, and The Fiftieth Anniversary Foundation** for their generous grants in support of the BBB Foundation’s Skill-Building Volunteer Intern Program in 2015.
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 and assistance to consumers, nonprofits, businesses, journalists, professionals (such as consultants, accountants, and attorneys), government officials and others who are interested in the following:

- Accountable business and charity standards and practices
- Consumer and business protection, fraud prevention and education
- BBB Charity Reports, comparing charity performance to the BBB Charity Accountability Standards
- Charity accountability and governance
- Technical assistance for charities
- Informed giving practices for donors
- Charity effectiveness and impact

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 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.
BBB Accredited Businesses

BBB Accredited Businesses make a commitment to conduct their business affairs with reliability and integrity, in accordance with Better Business Bureau Standards and guidelines. Consumers understand the nature of this commitment and value it. BBB is a well-known leader in the effort to create a market where buyers and sellers can trust each other. Consumers and businesses can Start With Trust® by turning to the BBB for business and charity reliability information.

As of March 14, 2016: BBB.org, the international BBB website hub destination, is ranked as the 611th most visited website in the United States, according to the Alexa website ranking service, with 419,411 unique visits and over 1 million pageviews per day. The Better Business Bureau system has been serving the public for over 100 years.

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.

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, and gives consumers and businesses pre-purchase information that often saves them money and trouble.

In 2015, the Metropolitan New York BBB provided over 4.9 million instances of service to individuals and businesses. 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. 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.

Feedback: Hundreds of people send thank-you emails and letters. One consumer wrote to say, “I want to thank all those at the Better Business Bureau for their tireless efforts in helping consumers to resolve their issues, claims and disputes.”

Another commented: “Thank you for being watchdogs for the community. I will recommend to friends that they check your website.”

Metropolitan New York’s BBB collaborates with its separately incorporated and governed BBB Foundation to create public education programs that are relevant to our community’s changing needs.
Metro New York BBB Foundation
Board of Directors and Officers
2015

**Chairman**
Hilda H. Polanco, CPA, CCSA, CGMA
Founder and CEO
Fiscal Management Associates, LLC

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

**Vice Chairs**
Pamela Haas
Manager, Corporate Citizenship & Corporate Affairs
IBM Corporation

David Okorn
Executive Director
Long Island Community Foundation

**Directors**
Daniel R. Alcott
Managing Partner
Alcott Law Group

Laurie J. Bilik
President
Global Human Resources

Frank O’Brien
Founder
Conversation, LLC

Louise Raymond
Vice President, Corporate Responsibility & Sustainability
McGraw Hill Financial

Steve Perazzoli
Partner, Financial Services Industry
PricewaterhouseCoopers LLP

**Treasurer**
Mauricio Hernandez
Executive Vice President, Business Operations
Goodwill Industries of Greater New York & Northern New Jersey
Metro New York BBB Foundation  
Statement of Activities 2015

**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.**

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.


### Year Ended December 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Net Assets</th>
<th>Temporarily Restricted Net Assets</th>
<th>Total Net Assets</th>
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</thead>
<tbody>
<tr>
<td><strong>Support and other revenues:</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Contributions</td>
<td>$111,679</td>
<td>$125,292</td>
<td>$236,971</td>
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<tr>
<td>Interest</td>
<td>633</td>
<td></td>
<td>633</td>
</tr>
<tr>
<td>Charity seal income</td>
<td>181,313</td>
<td>181,313</td>
<td>181,313</td>
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<tr>
<td>Seal Review support</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
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<tr>
<td>Income from related party</td>
<td>11,472</td>
<td>11,472</td>
<td>11,472</td>
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<tr>
<td>Donated services**</td>
<td>118,024</td>
<td>118,024</td>
<td>118,024</td>
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<td></td>
<td><strong>438,121</strong></td>
<td><strong>125,292</strong></td>
<td><strong>563,413</strong></td>
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<tr>
<td>Net assets released from restrictions due to satisfaction of program restrictions</td>
<td>127,767</td>
<td>(127,767)</td>
<td>0</td>
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<tr>
<td></td>
<td><strong>565,888</strong></td>
<td>(2,475)</td>
<td><strong>563,413</strong></td>
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<tr>
<td><strong>Expenses:</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Program services:</td>
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<td></td>
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<tr>
<td>Charity Accountability</td>
<td>271,099</td>
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<td>271,099</td>
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<tr>
<td>Program (C.A.P.)</td>
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<td></td>
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<tr>
<td>Educational initiatives</td>
<td>226,737</td>
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<td>226,737</td>
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<tr>
<td></td>
<td><strong>497,836</strong></td>
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<td><strong>497,836</strong></td>
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<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Management and general</td>
<td>55,272</td>
<td></td>
<td>55,272</td>
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<tr>
<td>Fund-raising</td>
<td>15,920</td>
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<td>15,920</td>
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<tr>
<td></td>
<td><strong>71,192</strong></td>
<td></td>
<td><strong>71,192</strong></td>
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<tr>
<td>Total supporting services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>569,028</strong></td>
<td></td>
<td><strong>569,028</strong></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>(3,140)</td>
<td>(2,475)</td>
<td>(5,615)</td>
</tr>
<tr>
<td>Net assets – January 1</td>
<td>672,581</td>
<td>136,949</td>
<td>809,530</td>
</tr>
<tr>
<td>Net assets – December 31</td>
<td><strong>$669,441</strong></td>
<td><strong>$134,474</strong></td>
<td><strong>$803,915</strong></td>
</tr>
</tbody>
</table>