ANNUAL REPORT
2016

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, 2016

- 824 educational event, webinar, and livestream participants
- 772 Metro NY BBB Charity Reports
- 56 volunteer interns with 8,623 hours of training and service
- 4,321+ instances of service – BBB Live programs active in 2016, including medical debt, auto loans, student loans, debt, and identity theft content in English and Spanish
- Tracked 59,000+ unique visits to BBB Foundation-related web pages
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 772 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 2016 through 2,633 voluntary general donations provided by 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 2016, we were honored to have the support of American Express, EmblemHealth, and The New York Community Trust as generous overall co-sponsors of our tenth Charity Effectiveness Symposium and related efforts in this program series. BBB Foundation was also fortunate to be able to present three special workshops for charities in this program series, with generous sponsorship from EisnerAmper LLP and Fiscal Management Associates.

Summary of activities:

- **BBB Charity Effectiveness Symposium X, February 23, 2016**: The BBB Foundation’s tenth Charity Effectiveness Symposium, entitled *Transitions: Leadership Development, New Challenges & Evolving Business Models*, 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 364 event registrants, including speakers and staff. On the event day, we noted attendance by 288 participants, including charity executives, philanthropic leaders, consultants, staff, and other interested parties.

- **Workshop, March 15, 2016**: With sponsorship from EisnerAmper LLP, the BBB Foundation presented *990 Tips: Confusing Areas & Common Mistakes*. This workshop focused on how organizations can use 990s to tell an accurate story about their nonprofit. Presenters were Julie Floch, CPA, Partner-in-Charge, Not-for-Profit Services, and Candice Meth, CPA, Partner, Not-for-Profit Services of EisnerAmper LLP. This program was held at Scandinavia House in Manhattan. Human Services Council, NYCharities.org, NYC Department of Youth & Community Development, and United Way of New York City were the Event Supporters. There were 90 registrants; on event day we checked in 78 attendees, not including staff.

- **Workshop, April 20, 2016**: With sponsorship from EisnerAmper LLP, the BBB Foundation presented *Donation Dos & Don’ts: Events, In-Kind Contributions and Confusing Issues*. This program focused on how organizations can plan and report on donations. Presenters were Julie Floch, CPA, Partner-in-Charge, Not-for-Profit Services, and Candice Meth, CPA, Partner, Not-for-Profit Services of EisnerAmper LLP. This sold-out event was held at Scandinavia House in Manhattan. Event Supporters were Baruch College School of Public Affairs, Human Services Council, Nonprofit Coordinating Committee of New York, NYCharities.org, NYC Department of Youth and Community Development, and United Way of New York City. The program drew 130 registrants, with 108 attendees logged as present on program day, not including staff.

- **Workshop, September 21, 2016**: With sponsorship from Fiscal Management Associates, the BBB Foundation presented *Getting to Great: Building Nonprofit Operational Excellence*. Hilda H. Polanco, CPA, CCSA®, CGMA, Founder and CEO, Fiscal Management Associates, presented about the key elements of operational excellence and how nonprofits can build them into their organizations. Event Supporters were Baruch College School of Public and International Affairs, Human Services Council, NYCharities.org, NYC Department of Youth and Community Development, and United Way of New York City. The program drew a “sold-out” group of 143 registrants, with 102 attendees logged as present on program day, not including staff.

- **Website Update; Email Promoting 2016 Symposium Video & Whitepaper Distributed on December 14, 2016**: The online resource at newyork.bbb.org/charityeffectiveness, entitled *Learn About Charity Effectiveness*, has been updated with new content including links to the 2016 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.
Attentive participants at the 2016 BBB Charity Effectiveness Symposium, in the packed plenary hall.

Growing Leaders: Skills Development & Succession Planning panelists, L to R: Philip Li, President, Robert Sterling Clark Foundation, moderator; Eileen Torres, Executive Director, BronxWorks; Kate McGovern, Director and Chief of Staff for Talent Acquisition & Management, American Express; Nancy Wackstein, Former Executive Director, United Neighborhood Houses; Director of Community Engagement & Partnerships, Fordham University Graduate School of Social Service; and Michael Davidson, Board Coach.

Hilary Pennington, Vice President, Education, Creativity, and Free Expression, Ford Foundation, presented her Keynote Address Transitions: New Challenges

Building a Strong, Sustainable Business Model in a Changing Environment panelists, L to R: Katharine Leonberger, President & CEO, Community Resource Exchange moderator; Sandra Bowie, Executive Director, Ifetayo Cultural Arts Academy, Inc.; Virginia P. Louloudes, Executive Director, The Alliance of Resident Theatres/New York; and David Rivel, CEO, The Jewish Board of Family and Children’s Services

100% of Symposium survey respondents who answered the question said they would use information from the program in their work.
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 990 Tips workshop.
Julie Floch, CPA and Candice Meth, CPA of EisnerAmper speak at the sold-out Donation Dos & Don'ts workshop.

Hilda Polanco, CPA, CCSA®, CGMA, of Fiscal Management Associates speaks at the sold-out Getting to Great workshop.
BBB Charity Standards Briefings

In 2016, 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 8 such workshops in 2016, with 144 attendees; off-site presentations were hosted by the Wilmington Trust and the Foundation Center. BBB Foundation presented three Standards Webinars in 2016. Additional workshops and webinars are taking place in 2017.

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.

2016 BBB Charity Standards Workshops

January 13, 2016    Webinar (34 attendees)
February 2, 2016    Workshop - at Wilmington Trust office (27 attendees)
March 3, 2016       Workshop – at BBB in NYC (15 attendees)
May 19, 2016        Workshop - at BBB in NYC (5 attendees)
July 20, 2016       Webinar (15 attendees)
September 13, 2016  Webinar (11 attendees)
October 24, 2016    Workshop - at BBB in NYC with Chinese delegation (27 attendees)
October 26, 2016    Workshop - at Foundation Center (10 attendees)
Overview of Charity Accountability Program, 2016

472 Reviewed Organizations:

Average % of Total Spent by Charities

- 81% Program
- 9% Fundraising
- 13% Administration

Of the 472 charities given complete reviews, 392 (83%) met all Standards vs. 77% in 2015; 80 (17%) failed one or more Standards vs. 23% in 2015. Out of 772 total reports, 297 (38%) 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</th>
<th>Description</th>
<th>Missed By</th>
</tr>
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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.</td>
<td>41</td>
</tr>
<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.</td>
<td>33</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.</td>
<td>30</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.</td>
<td>28</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.</td>
<td>20</td>
</tr>
<tr>
<td><strong>18. Privacy Policy.</strong></td>
<td>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.</td>
<td>19</td>
</tr>
<tr>
<td><strong>1. Oversight.</strong></td>
<td>A board of directors that provides adequate oversight of charity’s operations and staff.</td>
<td>16</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.</td>
<td>11</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.</td>
<td>10</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.</td>
<td>12</td>
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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 2016 Metro New York BBB Charity Reports are listed below from largest to smallest:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health &amp; Human Services</td>
<td>35.0%</td>
</tr>
<tr>
<td>Arts &amp; Culture</td>
<td>18.7%</td>
</tr>
<tr>
<td>Children, Youth, &amp; Families</td>
<td>16.5%</td>
</tr>
<tr>
<td>Community Development &amp; Civic</td>
<td>11.2%</td>
</tr>
<tr>
<td>Animals &amp; the Environment</td>
<td>6.2%</td>
</tr>
<tr>
<td>Education &amp; Literacy</td>
<td>6.0%</td>
</tr>
<tr>
<td>Law &amp; Public Interest</td>
<td>2.2%</td>
</tr>
<tr>
<td>Police &amp; Firefighters</td>
<td>1.8%</td>
</tr>
<tr>
<td>Religious</td>
<td>1.3%</td>
</tr>
<tr>
<td>General</td>
<td>0.8%</td>
</tr>
<tr>
<td>Veterans &amp; the Military</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

Regional Breakdown (includes all charities covered in 2016 Metro NY reports)
- 563 of the charities are from the 5 boroughs of New York City.
- 144 of the charities are located in Long Island.
- 62 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)

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
- 46% of the charities were headed by male CEOs and 54% by female CEOs.
- 63% of the boards of directors were headed by a male board chair and 33% by a female board chair.

Total Public Support (includes donations, corporate and government grants, in-kind services)
- The total amount of public support received: $4,495,939,897 ($4.5 billion)
- The average of total public support received: $8,310,425
- The median of total public support received: $2,270,141

Total Revenue (earned-income, government contracts, and public support)
Of the organizations listed in 2016 Metro New York BBB Charity Reports, the total amount of revenue from all sources was $10,158,553,477 ($10.2 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 $328,727,000.
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 June 9, 2017 there were 769 Metro New York area BBB charity reports with 75 reports in progress, and about 1,500 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 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 may be involved in questionable or fraudulent activities

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 59,061 unique page views for BBB Foundation content pages, including charity-related web pages, at newyork.bbb.org from January 1 – December 31, 2016. 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 mini-site, events for charity leaders, consumer education content in both English and Spanish, and information for donors.

BBB Accredited Charity Seal

As of December 2016, the Metro NY BBB Accredited Charity Seal program included 216 participating charities. For the most part, incoming new Seal Holders have offset outgoing program participants, which have 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 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 additional and optional program, only 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 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.
The two-page BBB Charity Seal Holder ad as it appeared in the New York Daily News, November 2016.

Give With Trust℠ BBB Charity Information
PSA Campaign Re-Issued in 2016

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 2016. New broadcast PSA uses were reported in 2016. We will encourage additional PSA placements for these messages in 2017.
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. 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!*, *BBB Live: Apply the Brakes to Unfair Auto Loans*, and *BBB Live: Managing Your Medical Debt* projects are some of our programs related to this initiative.

**BBB Live**

*Alivie su deuda médica*

*Managing Your Medical Debt*

**November 16, 2016**

On November 16, 2016 the BBB Foundation presented its eighth “BBB Live” program for Spanish speakers in collaboration with WXTV Univision 41 and with generous sponsorship by MLB Advanced Media and Verizon Communications. The program *Managing Your Medical Debt / Alivie su deuda médica* provides useful information to the public about medical debt, including signs of illegal and unfair billing practices, tips to know before and
after treatment, and consumer assistance resources. The project’s educational content for consumers remains posted on the BBB website at [bbb.org/ny-medical debt](http://bbb.org/ny-medical debt) and [bbb.org/ny-deudamedica](http://bbb.org/ny-deudamedica).

Bilingual volunteers assisted consumer callers in Spanish, offered to provide them with medical 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: 335**

- Consumer inquiries handled only by telephone, November 16: 253
- Follow-ups at consumer request with further information about auto loans sent in Spanish by email or mail: 175
- Call-backs completed: 81

**2016 Volunteers**

- Total inbound call volunteers, November 16: 29 (44 registered)
- Total volunteers: 29

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

- Fiscal Management Associates LLC
- Goodwill Industries of Greater NY & Northern NJ
- IBM
- Kiwi Partners
- MBAF CPAs LLC
- TD Bank

Of the 29 volunteers who answered calls during the 2016 BBB Live event, 8 of them came from Goodwill Industries of Greater NY & Northern NJ, and 7 came from TD Bank.

**Additional 2016 Results from Previous BBB Live Programs**

- Student loan-related BBB Live content from prior years in English received **1,018** unique pageviews in 2016 (1,141 total pageviews).
- Student loan-related BBB Live content from prior years in Spanish received **596** unique pageviews in 2016 (670 total pageviews).
- Identity theft-related BBB Live content from prior years in English received **201** unique pageviews in 2016 (231 total pageviews).
- Identity theft-related BBB Live content from prior years in Spanish received **116** unique pageviews in 2016 (129 total pageviews).
- Debt-related BBB Live content from prior years in English received **1,772** unique page views in 2016 (1,972 total pageviews).
- Debt-related BBB Live content from prior years in Spanish received **283** unique page views in 2016 (331 total pageviews).

**Total Tracked Instances of Service, BBB Live Programs Active in 2016: 4,321**
Educational Programs for Businesses

BBB Forum on Corporate Responsibility IX
June 2, 2016

Many thanks to our generous sponsors:

**Major Sponsor**
EY

**Benefactor Sponsors**
McGraw Hill Financial
MLB Advanced Media
Nielsen

**Event Host**
EmblemHealth

An attentive crowd of 119 filled the conference center at EmblemHealth to hear senior executives and expert advisors discuss new trends in the corporate responsibility field at the June 2, 2016 BBB Forum on Corporate Responsibility (out of 140 total registrants, a high 85% attendance rate).

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

Keynote speaker **Lori Michelin, Vice President, Sustainability & EHS of Colgate-Palmolive Company**, provided participants with a valuable review of Colgate’s sustainability journey. Then, a series of distinguished presenters discussed a wide variety of current topics, including issues such as new corporate responsibility pathways and expectations, human rights issues with respect to supply chains and the impact on business, and building the value of social and natural capital into business decision-making.
Playing the Long Game:
Corporate Responsibility in a Changing Environment

Corporate Responsibility Trends panel, L to R: Laura Gitman, Vice President, BSR, moderator; Jon Coleman, Ph.D., Fleet Sustainability & Advanced Technology Manager, Ford Motor Company; Tara Rush, Senior Vice President & Chief Corporate Relations Officer, HEINEKEN USA; Faith Frank, President, AXA Foundation, Inc., AXA US

Building the Value of Social and Natural Capital into Business Decision-Making: Jane Carter Ingram, Ph.D., Senior Manager, Climate Change and Sustainability Services, Ernst & Young LLP

How Might Consumer Perceptions and Behaviors Affect Corporate Responsibility?: Anthony Leiserowitz, Ph.D., Senior Research Scientist, Director, Yale Program on Climate Change Communication, Yale University
**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 2016**

In 2016 our Volunteer Intern Program activities continued to be strong:
- There were 56 interns in all for the 2016 year
- Volunteer interns contributed 8,623 hours of training and service
- Cases/reports completed with intern assistance totaled 23,020

**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.

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

<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><strong>8,974</strong></td>
<td><strong>Total</strong></td>
<td><strong>57</strong> Total <strong>22,692</strong> Total</td>
</tr>
<tr>
<td>Intern Hours for 2014</td>
<td>Number of 2014 Interns</td>
<td>Cases/Reports Assisted by Interns in 2014</td>
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<td>----------------------</td>
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<td>------------------------------------------</td>
</tr>
<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, Boston University, Borough of Manhattan Community College, Brooklyn College, California Polytechnic State University, Columbia University, Cornell University, Fordham University, Hunter College, John Jay College of Criminal Justice, New York University, Pace University, Penn State, and Seton Hall University. 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 2016, career meeting speakers included high-profile BBB and BBB Foundation Board members.

*Henry Lopez & Melissa Mangual, Fiscal Management Associates*

*Daniel Alcott, Managing Partner, Alcott Law Group, BBB Foundation Board Member*

*Michael Brizel, Executive Vice President & General Counsel, Fresh Direct, BBB Board Member*

*Pamela Haas, Manager, Corporate Citizenship & Corporate Affairs, IBM, BBB Foundation Board Member*

*Joel Goldberg, Of Counsel, Stroock & Stroock & Lavan LLP, BBB Board Member*

*Eric Solomon, Global Product Leader for Watch Product Marketing, Nielsen, 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 2016 Charity Accountability Program intern commented: “This internship was my first one so I came in with limited expectations. With that said, it absolutely did exceed my expectations. I feel that I am leaving with so many skills that I did not have when I came in here. Overall, an amazing and valuable experience. I am so glad that I had the opportunity to work at BBB.”

Asked whether they would use the skills they learned at BBB in the future, one Fall 2016 Dispute Resolution intern responded: “Of course! Communication, objectivity, clarity in speaking, etc. are just some of the skills I acquired and/or upgraded and can be used in the future wherever I may go.”

A Spring 2016 intern wrote: “It was an honor working with you guys. I appreciate everything you guys have taught me and done for me.”

One Spring 2016 Dispute Resolutions intern commented: “The BBB is very well run and I would not change anything about the internship program. I enjoyed my time here and cherish the experience.”

We are grateful to **BNY Mellon, Colgate-Palmolive, Grey Global Group, Michael Portegello**, and **The Fiftieth Anniversary Foundation** for their generous grants in support of the BBB Foundation’s Skill-Building Volunteer Intern Program in 2016.
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
- 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 2016, 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 and distribute the NYC Good Governance Blueprint; charitySTRONG; the Ahead of the Curve group of nonprofit associations, which worked together on a risk management symposium; and the Human Service Council’s Closures Commission. These relationships are ongoing in 2017, with additional collaborative projects being developed on issues affecting the nonprofit sector.
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 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.

In 2016, BBBs in the U.S. and Canada provided nearly 225 million total instances of service. The Better Business Bureau system has been helping people make smarter buying decisions 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 2016, the Metropolitan New York BBB provided over 5.7 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 take a moment to thank BBB and the efforts exhausted on my behalf. A successful resolution was reached, and I’m happy with my refund and resolution. I don't think this would have happened without BBB, so thank you very much!

Another commented: “…I just wanted to let somebody at BBB know that I am totally impressed by the speed of your response to my problem and its timely communication.”

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 changing needs.
Metro New York BBB Foundation
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2016

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**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. Significant in-kind donations included a generous Impact Grant from IBM for consulting services, to create an action plan for enhancing the Foundation’s website; these donated services amounted to $154,871 and $37,258 in 2016 and 2015, respectively.**

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.