

ADVANCING TRUST AND COLLABORATION

DONOR TRUST
ACCOUNTABILITY
PARTNERSHIPS

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THE COMPREHENSIVE APPROACH REFLECTED IN THE 20 BBB STANDARDS FOR CHARITY ACCOUNTABILITY CONTINUES TO SERVE BOTH THE PUBLIC AND CHARITIES IN HELPING TO ENSURE A TRANSPARENT AND HONEST CHARITABLE MARKETPLACE.

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ADVANCING
COLLABORATION
PHILANTHROPY
TRANSPARENCY
OUTREACH
FINANCIAL MANAGEMENT

OVERSIGHT HONEST

DEVELOPMENT
GROWTH

LETTER FROM THE CHAIR



This past year was the end of my term serving as Chair of the BBB Wise Giving Alliance Board of Directors. It has indeed been a privilege to serve on the Board and to have the opportunity

to be part of the development, growth, and influence of an organization engaged in strengthening donor trust in the charitable sector.

The BBB Wise Giving Alliance (BBB WGA) serves in a unique and important role in carrying out its standards-based evaluation activities on charitable organizations. Verifying the trustworthiness of charities has grown in importance at a time of increasing public skepticism of all institutions. The comprehensive approach reflected in the 20 BBB Standards for Charity Accountability continues to serve both the public and charities in helping to ensure a transparent and honest charitable marketplace.

While information technology continues to evolve and change the way we interact with charities and each other, there will always be a need to verify that charities have proper board oversight, prudent financial management of its resources, accurate appeals and communications, and periodic assessments of how well it is addressing its mission (i.e., results reporting or impact.)

In turn, BBB WGA is adapting to these changes as reflected in its recent Advancing Collaboration project, its expanded outreach efforts to educate the public, as well as other upcoming initiatives to better serve both the donating public and charities.

I look forward to hearing of BBB WGA's future success and thank all of you for your support, encouragement, and shared interest in addressing accountability.

Sincerely,
Cass Wheeler
Chair, Board of Directors
BBB Wise Giving Alliance

ADVANCING COLLABORATION

With the growth of the charitable sector, duplication of efforts and competition can sometimes get in the way of service provision. In addition, digitization and automation are altering and increasing our connections like never before. To help address these changes, BBB WGA launched “Advancing Collaboration” in 2017 which featured an article series created in partnership with the Stanford Social Innovation Review (SSIR.) The series sought to capture and encourage a new spirit of collaboration among charities and others engaged in philanthropy. With a strong recognition of the importance of trust in establishing collaborations, such partnerships can help organizations reach larger audiences while sharing the risk and help achieve more than an organization can do alone. Collaborations are not only possible between charities but also with other entities engaged in social good.

The article series included items authored by the CEOs and other executives from the ALS Association, American Red Cross, Association of Fundraising Professionals, Belfer Center for Innovation & Social Impact at the 92nd Street Y, BoardSource, Center for Effective Philanthropy, DataKind, GuideStar, Mission Partners, and others.

The project also introduced a Collaboration Pledge which helps display a charity’s commitment to seeking out potential partners to carry out shared goals. Charities that sign up for the pledge can display it on their websites as a way of demonstrating their collaborative spirit and announcing their interest in finding more potential collaborators.

The American Society of Association Executives (ASAE) Foundation announced in January 2018 that BBB WGA’s Advancing Collaboration Project is one of five awardees of the 2018 Innovation Grants Award Program. The ASAE Foundation indicates that during the past six years, it has awarded a total of 25 Innovation Grants and has received close to 300 applications from organizations of varied sizes, locations, and missions. BBB WGA was greatly honored to receive this recognition and we thank all the authors that contributed to this article series as well as SSIR for making this series available to social change leaders throughout the world.

Framework for Collaboration

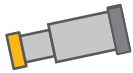
Nine Important Considerations



1

BUILD TRUST

Trust is the basis for strong collaboration. Good governance, solid financial management and reporting, and truthful and transparent communications demonstrate trust. Trustworthiness can lead to better results and more willingness to collaborate.



2

HAVE A VISION

When seeking to collaborate, outline organizational expectations over an established period of time. Long-range planning can also help identify potential stresses on existing programs.



3

SEEK TO ASSURE THE SUCCESS OF YOUR COLLABORATORS

Know the expectations of both the project and collaborative participants. All participants must be fulfilled for a project to succeed, and regular intervals for discussion and a willingness to adjust are needed to achieve this goal.



4

TAKE STOCK

Examine organizational strengths and weaknesses and be willing to share this information with collaborators.



5

START SMALL

Begin collaborating with short-term, inexpensive projects that allow the organization to build confidence and willingness to trust.



6

FAIL FAST, AND BUILD RIGOROUS FEEDBACK LOOPS

Set timetables and clearly identify goals and responsibilities among staff. If partners aren't pulling their weight, reassess, adjust or consider moving on.



7

TAKE A PORTFOLIO APPROACH

Establish several promising collaborations with potential for new value. Prioritize these projects based on assets and deficiencies of each partner until the best match is identified for your organization's values and goals.



8

CONSIDER NON-TRADITIONAL PARTNERS

New, even previously unconsidered value can be found with corporations, startups, social networks, or other nonprofits outside your issue area.



9

KEEP YOUR DONORS APPRISED OF YOUR COLLABORATIONS

Collaborative projects may generate new fundraising opportunities, and funders may want to support the efforts of charities working together.



COLLABORATION WITH COMMUNITY HEALTH CHARITIES

BBB WGA began a collaborative effort with Community Health Charities (CHC), a federation representing more than 2,000 health charities in workplace giving campaigns. Through this new relationship, BBB WGA and CHC joined forces to promote transparency and high standards of conduct among CHC partner charities, which are now asked to submit information for an independent BBB evaluation as part of their CHC membership.

For CHC, the partnership is a clear commitment to the 20 BBB Standards for Charity Accountability and a way to signal that employers and donors can have the added confidence of our independent evaluation. For BBB WGA, this partnership represents an opportunity to raise awareness about the importance of trustworthiness in donor charitable choices and a new way to proactively engage with national and local charities that have not already been subjects of our review process.

PUBLIC OUTREACH ON WISE GIVING

BBB WGA has always sought to educate the public about wise giving practices through its various public outreach activities. 2017, however, was a banner year in terms of media impressions (i.e., the cumulative number of individuals that had the opportunity to see the applicable stories or content). BBB WGA accumulated over three billion media impressions, which represents a 300% increase over the previous year's total.

One of the significant factors that led to this increased volume of media mentions of BBB WGA was the large number of disasters and tragedies that resulted in requests for public support. BBB WGA sought to provide advice

about donating to trustworthy charities and explain how to avoid questionable crowdfunding efforts that often emerge immediately after these heart-wrenching events.

There was the Mississippi River flooding, the bombing in the Manchester Arena in England, the victims of the violence during the protests in Charlottesville, Virginia, and the mass shootings in Las Vegas, Nevada, and Sutherland Springs, Texas. And, there was also the string of hurricanes: Harvey, Irma, and Maria as well as the earthquake in Mexico. All of these resulted in a huge outpouring of solicitations and requests for relief assistance.



FIGHTING FUTURE FUNDRAISING FRAUD

In March 2017, the Federal Trade Commission held its first charity conference: *Give & Take: Consumers, Contributions and Charity*. Both BBB WGA's Art Taylor and Bennett Weiner were honored to participate on separate panel discussions that addressed various issues about safeguarding donors from fraud and deception. There were a variety of speakers at this event including those with backgrounds from academia, the federal and state regulatory community, crowdfunding sites, infrastructure organizations, nonprofit legal experts, as well as charity monitoring groups such as BBB WGA.

One of the most important elements of this

gathering was the insights on the emerging challenges facing both donors and regulators in the future. In years to come, new forms of social media and communication will emerge such as applications of virtual reality which put viewers "in the scene" instead of just seeing a photo or video. This has the potential to create emotional fundraising asks that go far beyond what we have ever experienced. In turn, crowdfunding is evolving into forums that seek to help individuals not only raise money for immediate needs but also on a continuing basis. Speakers recognized the need for government regulators of charities to develop the skills and tools that will help them catch bad actors in these spaces.



**SAFEGUARDING
DONORS** FROM
FRAUD AND DECEPTION.

PHILANTHROPY EXPERTS AND LEADERS ACADEMY

BBB WGA President & CEO Art Taylor, and Cape Coral Community Foundation President & CEO Michael Chatman, hosted the Philanthropy Experts and Leaders Academy in April 2017 in Cape Coral, Florida. Art Taylor gave a presentation about how the future can and should be part of thought leadership and brand strategy. Michael Chatman shared how he built #whyigive, the popular global generosity movement on Twitter with over 300,000 followers. The Academy was limited to 25 people. It was a blend of philanthropy thought-leaders, foundation executives, social entrepreneurs, and CEOs of nonprofit organizations.

Speakers included Mary Wong, President and CEO, Office Depot Foundation, who shared her personal story of perseverance and the lessons she's learned throughout her 20-year career in corporate social responsibility. Also, Henry Timms, Executive Director of 92nd Street Y and Founder, #GivingTuesday, explained how to understand new power and harness its energy – and lessons learned from #GivingTuesday, a global philanthropic movement. Topics addressed by other speakers included: building a web presence, leadership development tools, and inspiring others to act.

GIVE.ORG WEBSITE

The most popular section of the Give.org website continues to be the evaluative reports on charities. Our third year of the *Wise Giving Wednesday* blog addressed a variety of topics including, but not limited to: tips on donating to hurricane relief appeals, the use of photos in fundraising appeals, charitable weddings, rounding up the register bill for charity, circus fundraising events, matching gift appeals, in-person solicitations in major cities, golfing events, 100% claims in appeals, phishing scams, passing wise giving habits to children, and cryptocurrency giving.

In its second full-year of operations, the *Building Trust Video* series featured interviews with the Chief Executive Officers or other senior executives from various soliciting charities that meet all 20 *BBB Standards for*

Charity Accountability. Some of the charities included in these videos are: Catholic Medical Mission Board, Fuller Center for Housing, Grassroots International, Interfaith Community Services, Jewish National Fund, Lutheran World Relief, mothers2mothers International, National Council of the U.S. Society of St. Vincent de Paul, Native American Rights Fund, Pearl S. Buck International, Susan G. Komen, Volunteers of America, and World Animal Protection. These interviews provided viewers with an overview of each charity's main activities along with comments about the significance of meeting the BBB Charity Standards.

2017 BOARD OF DIRECTORS

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(former CEO American Heart Association)*

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H. Art Taylor

*President and CEO
BBB Wise Giving Alliance*

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President and CEO

Bennett M. Weiner

Chief Operating Officer

Kelley Bevis

Research Analyst

Elvia Castro

Manager, Regional Charity Reporting

Edward Loftin

Research Analyst

Danielle Nelson

Research Analyst

Julie A. Rizzo

Director, Charity Seal Licensing and Fundraising

Shawn Van Gorder

Director, Charity Evaluation

Ezra Vazquez-D'Amico

Research Analyst

Shakila Wilson

Administrative Coordinator



2017 FINANCIAL SUMMARY

year ended December 31, 2017

REVENUES AND SUPPORT

Charity Seal License Fees	\$	1,887,156
Grants & Contributions		239,103
Publications		21,637
Other Revenue		45,501
Total	\$	2,193,397

EXPENSES

Program Services	\$	1,898,551
Management & General		383,933
Fundraising		41,845
Total	\$	2,324,329

REVENUE EXCEEDING EXPENSES (130,932)

Beginning Net Assets		1,221,799
Ending Net Assets	\$	1,090,867

*Audited financial statements available on Give.org
and on request*



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Give.org