

Better Business Bureau Consumer Education Fund, Inc. 2009 Annual Report

About the Foundation

Better Business Bureau Consumer Education Fund, Inc. (CEF) is a 501 (c)(3) non-profit organization established in 1974 to further the charitable and educational purposes of the Better Business Bureau serving Louisville, Western Kentucky, and Southern Indiana.

CEF's major areas of focus include educating consumers on marketplace issues and working with local charitable organizations to promote standards for charitable accountability. The officers and directors of CEF are elected annually by the Board of Directors of Better Business Bureau, Inc.

Our Mission

The foundation's mission is to provide educational programs and services that advance CEF's charitable purpose and support the Better Business Bureau in its efforts to educate and inform consumers and to encourage charity accountability and wise giving practices.

Our Programs

Consumer Education

Consumer education is paramount to a safe and ethical marketplace. By providing information and educational opportunities to consumers and the business community, CEF encourages these groups to take a proactive approach to prevent scams and fraud before they occur. Educational materials and information provided by the BBB are tools that our community can utilize to build a network of educated businesses and consumers. This network can then be empowered to stop fraud and unethical business practices while promoting use of the BBB and its services.

To reach out to consumers and build this network, CEF has an active speaker's bureau and conducts community presentations for senior citizen groups, community and civic organizations, and students. CEF also participates in several consumer expos and business trade shows to interact one on one with consumers and answer

questions about BBB programs and services. Through these efforts, BBB staff members speak to scores of groups and several thousand consumers each year.

2009 Program Highlights

- **Senior Citizens Solutions and Scams** – CEF prints brochures and presents programs for seniors that focus on financial, housing, home improvement and home equity fraud, choosing elder care professionals, home care options, long-term insurance, healthcare and managed care options, estate planning and wills, living trusts and funerals. Presentations offered on request. The BBB recognizes that Older Americans are the fastest growing segment of the population to be victimized by identity fraud and Internet schemes. To protect elderly consumers, CEF has developed presentations and written literature to provide elderly consumers with information on recognizing and preventing fraud. Topics covered include foreign lotteries, home repair scams, phishing, telemarketing schemes, phony charities and discount medical plans. Presentations offered on request
- **Identity Theft Seminars** - As one of the fastest growing white-collar crimes in the US, consumers frequently contact the BBB with questions regarding this crime. To assist in educating consumers, CEF, in conjunction with the Council of Better Business Bureaus, has developed presentations on the topic of ID theft, including how to prevent it and what steps consumers can take should they become a victim. Presentations offered on request.
- **Elder Contract Review** – Through a partnership with the University Of Louisville School Of Law senior citizens can obtain advice on contract issues from U of L law students.
- **Credit Clues** – A new program established in 2007 designed to provide the most reliable and current information to consumers about the correct avenues to take, as well as those to avoid, when attempting to use, build, and most importantly, repair credit. Written materials and a CD are available by request.
- **Expos and Trade Shows** - In an effort to interact with consumers and businesses seeking information or services, CEF develops and distributes marketing, promotional and educational materials at local expos, trade shows and other community gatherings to increase awareness of BBB services and to educate consumers on a variety of topics affecting the marketplace. Major events in 2009 included the Garden and Home Expo and the Kentucky State Fair.

- **Torch Awards** – CEF sponsors local Torch Awards for Marketplace Ethics to honor outstanding companies and nonprofits who commitment to ethical business practices helps to uphold a fair marketplace. Awards are given in both for profit and not for profit categories with awards based on an organizations demonstration of ethical management practices, customer and vendor relations, sales and communications practices, and reputation.
- **Golf Scramble** – The BBB Golf Scramble is CEF’s biggest fundraiser of the year. The event, which includes team sponsorships, hole sponsors, and a silent auction, raises money for the Richard E. Akers Scholarship Fund. Two scholarships are given out each year to high school students.
- **Student Ethics Scholarships** - Two local high school students are selected as BBB Student Ethics Scholarship winners and receive \$1,000 scholarships to the college of their choice. Students are required to write an essay outlining why personal integrity is important and how they translate that belief into everyday actions.

Charity Review

Established in 2002, the Charity Review Service is the donor information program of the BBB. The mission of the Charity Review Service (CRS) is to promote public confidence in local charities and encourage charitable giving. CRS provides the public with information on specific charities and wise giving practices and also advises charities on how to meet and maintain high ethical standards of operation.

Each year CRS reviews financial statements, tax filings, annual reports, solicitation materials, direct mail pieces, and special event information of local charities. Based on this information, provided by the charity or obtained from other public sources, CRS determines if a charity meets the Better Business Bureau’s Standards for Charity Accountability. CRS then produces a report with its determination and summary of the charity’s mission, programs, governance and key financial information. Charity reports are generally updated at two year intervals. Charities are provided with the opportunity to review and comment on draft reports (prior to posting) and to update reports in the interim year.

CRS reports are available on the local BBB website at www.louisville.bbb.org or by calling 502-588-0033. You may also request a copy of a report by sending a written request to the BBB Charity Review Service, 844 S. Fourth Street, Louisville, KY 40203.

The charity review process that is implemented locally was developed by the BBB Wise Giving Alliance which is the charity review affiliate of the national Council of

Better Business Bureaus. The WGA reviews and reports on charities that conduct fund raising in a number of states and that operate programs that are national in scope. You can find additional background on charity review and access national reports on the WGA website at www.give.org or by contacting them at BBB Wise Giving Alliance, 4200 Wilson Boulevard, Suite 800, Arlington, VA 22203 or by telephone at 703-276-0100.

2009 Charity Review Service Highlights

- Developed 175 charity review reports
- Delivered over 10,000 online reports in response to consumer inquiries
- Continued collaborative partnership with local Metro United Way to develop and update charity review reports on all MUW member agencies

Governance

BBBCEF is governed by a Board of Directors appointed by the BBB. Board membership for 2008-2009 is as follows:

Tom Monahan, Chairperson	President, Business First of Louisville
Darryl Metzger, Chair-Elect	Senior VP & Director of Branch Administration, J.J.B Hilliard, W.L. Lyons, LLC
Gary Haupt, Vice Chair	President, Tri-County Ford Mercury, Inc.
H. Powell Starks, Vice Chair	Member, Frost Brown Todd
Stephen E. Fischer, Vice Chair	Associate Vice President, Finance, Kosair Children's Hospital
Thomas Smith	President/CEO, American Bank and Trust Company
Keith Johnson	President, First Federal Savings Bank
Ellen Jones, Secretary	Executive Director, External Affairs, Kentucky AT&T
Charles B. Mattingly	President/CEO, BBB
Michael Risley, Esq., Legal Counsel	Partner, Stites & Harbison

Finances – BBB Consumer Education Foundation

For Year Ended December 31, 2009 *

Revenues, Gains and Other Support	
Service Income	\$35,615
Contributions	11,142
Rental Income	24,000
Golf Scramble Event, net	6,573
Total Revenues, Gains, and Other Support	\$77,334
Expenses	
Program Services	\$67,521
Support Services	5,984
Total Expenses	\$73,505
Net increase in total net assests	\$3,829
Net Assets At Beginning of Year	\$74,291
Net Assets At End of Year	\$78,120
Ending Net Assets	\$78,120

* Financial information is based on audited financial statements for the year ending December 31, 2009.

The Better Business Bureau Consumer Education Fund, Inc. is a 501(c)(3) tax exempt organization. Donations are tax deductible to the full extent allowed by law.

Contact Information:

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Louisville, Ky., 40203 (502) 588-0033

Inquiries may be directed to Joe Spalding, Director of Charity Review by phone to
(502) 588-0033 or by email to jspalding@louisville.bbb.org