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FOR IMMEDIATE RELEASE

Nonprofit Leaders Meet to Discuss Driving More Funds to High-Performing Organizations

GuideStar, BBB Wise Giving Alliance, Charity Navigator discuss new approaches to identifying high-performing nonprofits

WASHINGTON— April 14, 2009 – The Alliance for Effective Social Investing, a network of nonprofit leaders, which includes the CEOs of GuideStar, Charity Navigator, BBB Wise Giving Alliance and Network For Good met in Washington, D.C. and agreed to work together to drive more funds to high-performing nonprofits.

Organized by Social Solutions, the Alliance for Effective Social Investing is an international effort to identify promising new metrics of organizations' social impact and promote the development of a more robust environment for effective social investing - replacing financial measures as the sole barometer of an organization's performance. The Alliance, representing over 25 leading U.S. and European social sector organizations, is committed to supporting each other and working together to strengthen the evolving social capital market.

Individual donors give over \$250 billion to nonprofit organizations each year. The information provided by GuideStar, Charity Navigator, BBB Wise Giving Alliance and Network for Good assist millions of these donors each year in deciding which nonprofits to support. They represent the main vehicles by which individual donors compare charitable organizations.

"Throughout the sector, it is almost universally agreed that financial measures alone do not lead to wise giving decisions or good nonprofit performance," said Jeff Mason, the Chair of the Alliance. "The Alliance is determined to support these and other intermediaries as they seek to improve their rating methodologies and evolve to better identify high-performing nonprofit organizations."

At the recent gathering (the Alliance's second meeting) the group received updates from the Urban Institute, GuideStar and Charity Navigator about how each was moving to improve their websites and rating methodologies as well as develop new tools to support a more impactful nonprofit sector.

Alliance member Paul Brest, president of the Hewlett Foundation, commented, "I am very pleased that the Alliance has committed to ambitious targets for integrating outcome-oriented measures into the work and reports of nonprofit organizations and information intermediaries. This holds the promise of enabling donors to direct funds to high performing organizations, something especially needed at a time when charitable resources are tight."

ALLIANCE FOR EFFECTIVE SOCIAL INVESTING

Alliance member Ken Berger, CEO, Charity Navigator, said, “We at Charity Navigator believe that wise giving decisions rest on considering three components – financial strength, accountability and outcomes. We are happy to collaborate with our Alliance colleagues in striving to develop a charity evaluation system which encompasses all of these elements.”

“At GuideStar, helping donors make better decisions and nonprofits be more effective is core to our mission. It is gratifying to work together with other nonprofit leaders which share our commitment to create meaningful metrics to improve philanthropic performance,” said Alliance member Bob Ottenhoff, CEO, GuideStar.

About the Alliance for Effective Social Investing

The Alliance for Effective Social Investing is an international network of nonprofit leaders working together to drive more funds to high-performing nonprofits. The Alliance works to support leading nonprofit intermediaries in implementing measures of social value as an integral part of their metrics and in driving more donors to utilize these measures to make informed social investments. To learn more please visit www.alleffective.org.

Media Contact:

Melissa Chotiner
DBC PR+New Media
(202) 292-4572
melissa@dbcpr.com