

ANNUAL 2018 REPORT

LETTER FROM PRESIDENT & CEO

- Michael Thatcher



Thank you all for your exceptional support, confidence and use of Charity Navigator's ratings and information over the past year! We closed our fiscal year on June 30, 2018 with measurable progress on our 2021 strategic plan; from the number of ratings published (9,122), to the number of site visits (11 million) by all of you.

We are proud that the work that we do at Charity Navigator helped guide many in their support of the great organizations engaged in saving lives and property in the wake of the terrible hurricanes of the fall of 2017. Many of you used our Giving Basket in disaster response, as well as for your regularly planned annual social investments, leading to more than \$24 million in gifts and 58% growth in Giving Basket use since the prior year.

We continue refining and broadening our contribution to this dynamic sector. In the past year, we began providing impact-related information for more than 2,500 nonprofits. This huge step forward was made possible through a partner-based approach allowing us to leverage structured reporting information collected by GuideStar (now a part of Candid), Classy and GlobalGiving. We are studying the effects of this additional data on donor giving behaviors with the help of researchers at the Kellogg School of Management at Northwestern University. Aided by a generous foundation grant, we plan to increase the number of partners involved and publish impact data for significantly more nonprofits in the coming year.

Partnerships expanded our capabilities to deliver greater value, as did expanding our audience. We've multiplied our social media presence doubling the number of blog visits and a ten-fold increase in Twitter impressions. This, in turn, drives traffic to our web site which also grew by more than 11%. Perhaps most significantly, our revenue sources continue to expand, including a higher mix of foundation funding, as well as new major donors.

As we expand the number of organizations we rate and deepen what goes into these ratings, there must be a significant improvement in the technical infrastructure supporting that work. Our automated ratings efforts -through the generosity of IBM Corporate Citizenship and a data-systems migration grant -- could soon enable us to exponentially increase the number of organizations rated by Charity Navigator. This work will continue into the coming year as we complete migration to the new Cloud-based ratings engine.

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We are making philanthropy easier for all by providing accessible information, ratings, and tools for donors, and by presenting charities with the information that helps them operate more effectively. Charity Navigator allows donors to feel confident in their giving decisions and highlights organizations doing important work throughout the world. Charity Navigator's expert insights and ratings are impartial and provided free of charge.

Michael Thatcher President & CEO

Charity Navigator envisions a world where philanthropy is inclusive, vibrant, and effective. We believe that anyone, regardless of his or her means, could be a philanthropist, which is why we provide our charity ratings, tips, and other resources completely free of charge!

In Fiscal Year 2018 (July 1, 2017 through June 30, 2018), **11 million people used Charity Navigator to research their favorite charities before giving.** In addition to our ratings and resources, and in keeping with our Strategic Plan, we offered these users impact reports, improved Giving Basket functionality, and timely disaster-related giving lists (Hot Topics). We also continued work on our API (application programming interface) to expand the use of Charity Navigator data outside of the nonprofit sector.

Charity Navigator Team

Charity Navigator continues to grow our offerings and expand our reach with a small but mighty team of 20 full-time employees!



8,639 CHARITIES RATED

Charity Navigator continues to provide all of its charity ratings and other resources to donors at zero cost. These multidimensional ratings, which consider an organization's financial health and accountability and transparency, help donors understand how a charity will use their gift to make a difference.



475 NEW CHARITIES RATED

While Charity Navigator maintains an organization's rating year over year, we continue to add new charity ratings to our site. These ratings provide a framework for charities to measure their financial health and accountability and transparency practices. Our analyst team helps charities understand our metrics and how to improve their ratings.



2,834 IMPACT REPORTS PUBLISHED

Charity Navigator, in partnership with Classy, GlobalGiving, and GuideStar (now a part of Candid), launched an impact reporting initiative to gauge how impact information affects donor behavior. The learnings gathered from this effort will be used to inform our future work on impact reporting.



621 ADVISORIES ISSUED

Charity Navigator's Advisory Issuance Committee meets weekly to review and discuss publicly reported claims of charity mismanagement. The Committee votes on a case-bycase basis to determine whether or not to place an advisory on the charity's information at our site. These advisories are intended to signal donors that there is information that may impact their giving decision.

Giving Basket Statistics

Launched in October 2015, Charity Navigator's Giving Basket allows donors to review their favorite charities and seamlessly make their gifts. In Fiscal Year 2018, an incredible 84,295 donors used the Giving Basket to make 199,841 gifts totaling more than \$23.6 million to 13,285 organizations! 84,295











Hot Topics

Charity Navigator helped millions of donors support highly-rated charities in the wake of some of the most costly natural disasters in history. We worked quickly to produce curated lists of aid and relief organizations working in the areas affected by Hurricanes Harvey, Irma, and Maria in the fall of 2017. These lists had over 1.5 million visits, and 27,715 donors used the Giving Basket to donate \$3,945,953 in the wake of these storms alone!

SOURCES OF CHARITY NAVIGATOR'S OPERATING REVENUE

Charity Navigator is funded, in large part, by the individuals who rely on our service to make more thoughtful and impactful donations. However, this isn't our only source of revenue. Our diverse revenue streams create a solid platform for us to build our service on.

81.69% CONTRIBUTIONS FROM INDIVIDUALS 12.42% FOUNDATION SUPPORT 2.91% INVESTMENT INCOME 1.87% BOARD SUPPORT 1.04% DATA SALES

.07% SPEAKING FEES & OTHER

Charity Navigator thanks the following grantmaking organizations for their generous support of our work and commitment to our mission.

> * Funding support came from the Fidelity Charitable Trustees' Initiative.









Sometimes you want to give to make a difference. And with so much need out there, where do you turn?

Charity Navigator – OF COURSE! Charity Navigator gives you the opportunity to find the truth to make your money become a wise investment in the future. OUR future.

Thank you!"

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Join Charity Navigator in creating a world everyone, regardless of their means, can make a difference through impactful philanthropy.



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CHARITY NAVIGATOR