



“Heralding Social Sector Transparency with GuideStar CEO Jacob Harold”

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PROGRAM NOTES

This program brought leading social change strategist, grantmaker, author, and CEO of GuideStar Jacob Harold to San Diego to share his thoughts on ways nonprofits and grantmakers can contribute to a more transparent and effective social sector.

Speaker:

- Jacob Harold, CEO, GuideStar

Key Takeaways:

- The overhead:program ratio became a measure of nonprofit effectiveness because the Form 990 was the primary way to find out about the work of nonprofits; there was no good alternative for telling a nonprofit's story
- There are two white elephants in the social sector: 1) Some nonprofits are better than others, and 2) Some grantmakers are better than others. While there are definitely bad actors in both, they do not represent the majority, and most are not reaping benefits from high overhead at the expense of programs.
- There are four categories of data that are most relevant to the social sector: 1) the issues/problems, 2) the interventions/solutions, 3) the organizations addressing the issues/problems with interventions/solutions, and 4) the resources for addressing the issues/problems. **GuideStar seeks to connect, aggregate, and present this type of information, thereby telling more about the nonprofit sector beyond the Form 990s.**
- GuideStar, in partnership with the BBB Better Giving Alliance and Charity Navigator, launched the [Overhead Myth](#) initiative to dispel the overhead:program ratio measure of nonprofits' effectiveness. The initiative's website includes a number of [tools and resources for nonprofits](#) to use to calculate overhead and ask for funding accordingly.
- In 2016, GuideStar will introduce a Platinum level of reporting that will include quantitative programmatic information to better measure nonprofits' outcomes/impact
- To simplify the fundraising process, GuideStar is also beginning to autopopulate grant proposals for funders