

# BETTER BUSINESS BUREAU

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HANDBOOK

*Board of Directors & Advisory Committee*

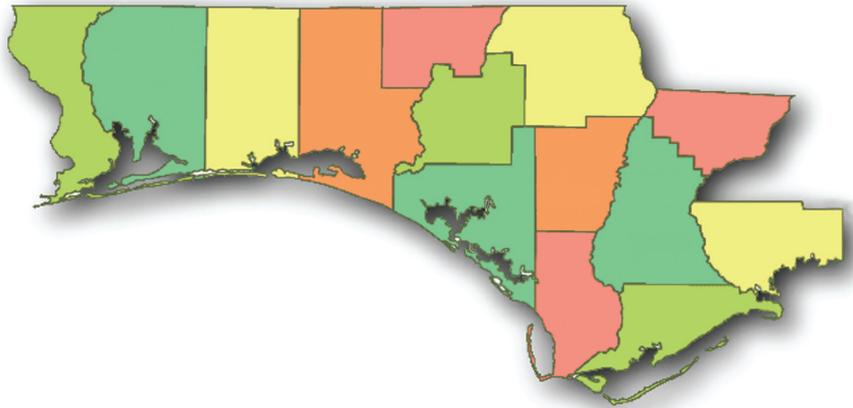


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The Better Business Bureau of Northwest Florida - Serving Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton and Washington counties.

### Office Locations

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## Our Vision

An ethical marketplace where buyers and sellers can trust each other

## Our Mission

To be the leader in advancing marketplace trust

## We Do This By:

- Creating a community of trustworthy businesses
- Setting standards for marketplace trust
- Encouraging and supporting best practices
- Celebrating marketplace role models
- Denouncing substandard marketplace behavior

## Our Work

Businesses are the members, partners, investors and #1 customers of the Better Business Bureau. We work with businesses of all sizes to encourage, support, and showcase marketplace integrity, business ethics and reliability, and best practices. We enlist businesses in voluntary initiatives to set standards and practice self-regulation, and provide forums for dispute resolution. We offer trustmark programs for businesses to showcase their trustworthiness. And we expose sub-standard marketplace behavior.

Ultimately, our value to our members is driven by the ability to deliver consumers to trustworthy businesses. So while we strive to be the partner of choice for business on marketplace and consumer trust issues, we have an equal and compelling commitment to be the resource of choice for consumers. We educate consumers. We gather and provide the reliable data that allows consumers to do business with companies they know are ethical and trustworthy.

## Our History

The first Better Business Bureau (BBB®) was created in the early 1900s with the goal of correcting abuses in advertising and selling practices. Today, there are 114 BBBs in the United States and 14 in Canada, each operating independently, but under standards established and enforced by the Council of Better Business Bureaus located in Arlington, Va.

Locally, the BBB of Northwest Florida, Inc. was established in 1985 with a four county territory. Today, the BBB covers the 14 counties of Northwest Florida with offices in Pensacola and Panama City.

The BBB of Northwest Florida is a private, non-profit organization and is not affiliated with any government or law enforcement agency. The BBB is supported by more than 2,300 community businesses and professional firms that voluntarily agree to abide by standards of ethical marketplace interaction with the public. The bureau is entitled to use the BBB name and logo through its membership with the Council of Better Business Bureaus located in Arlington, Va.

Each day, the BBB works to provide valuable information to consumers and assist in preserving and promoting self-regulation in the business world. The BBB maintains unbiased reports on more than 16,000 businesses, comprised of both members and non-members, and approximately 200 local charities. Each year the BBB provides roughly 130,000 instances of service. With a 24/7 phone inquiry service and real-time Web site, the BBB provides consumers and businesses with constant access to the information they need to make an informed decision.

## Services We Offer

**Business Reliability Reports** - The BBB maintains files on many companies in their service area. BBB reliability reports can help a consumer determine if a company they are considering doing business with has a satisfactory record with the BBB. These reports will tell consumers how long a company has been in business, what the BBB files show about complaint history and whether a company is pre-committed to a dispute resolution program. The report will also note if a company has been the subject of any law enforcement actions taken by a government agency such as the Federal Trade Commission, U.S. Postal Inspection Service, State Attorney General, etc. The report may also contain general information about the nature of a company's business. The report usually covers activity for the past three years.

**Industry Reference Lists** - To offer additional information to consumers, the BBB provides lists (upon request) of all BBB members within a specific industry. Industry reference lists assist consumers seeking competitive bids from more than one company.

**Membership Identification Program** - The BBB grants the member the license to use the BBB name and logo. The member may, within the BBB's geographic service area, use a pre-approved Torch™ logo and/or "Member Better Business Bureau". This membership identification can be used in the following media: newspapers, periodicals, billboards, posters, direct mail flyers, yellow pages, directory advertising, TV, radio spots, company vehicles, business cards, letterhead, invoices, facsimile cover sheets or other documents. There is no additional charge for MIP.



**BBBOnLine** - A program of the BBB system, it has two components: Reliability and Privacy. Members of a local BBB may register their web site with the BBB to get a BBBOnLine Reliability seal. Committed to meeting all of the standards of regular BBB membership, Reliability members are given a special logo to place on their web site that, when clicked, identifies them as part of the program. This identification helps consumers recognize credible online companies and encourages their confidence in shopping.



**Dispute Resolution** - Dispute Resolution is a term used to encompass many different techniques for resolving conflicts. Better Business Bureau dispute resolution is informal and user-friendly. The BBB of Northwest Florida currently offers two types of dispute resolution:

- Conciliation is provided by the BBB to all parties who contact the office with marketplace problems within our purview. This means every effort of a BBB staff person will be made to assist in reaching a resolution before referring a dispute to arbitration.
- BBB Arbitration is a program through which companies with unresolved disputes can utilize arbitration services. Arbitration is a method wherein the parties have been unable to resolve their differences and have agreed to seek a third party decision. BBB arbitrators are neutral and hearings are confidential. Our arbitrators are certified by the Council of Better Business Bureaus and are experienced in hearing and gathering information from both parties, from any witnesses the parties may call, and reviewing any pertinent proof the parties wish to submit. Decisions are provided to the parties within 10 days of the arbitration hearing. MIP members are pre-committed to arbitration and decisions are legally binding.

Historically, the BBB system has been the largest provider of consumer dispute resolution in the United States.

## BBB Foundation

The Better Business Bureau Foundation of Northwest Florida is a 501 (C) (3) charitable corporation formed to allow the BBB to expand its commitment to the community through charitable and educational activities. The BBB Foundation currently provides services in three major areas.

**Charity Review and Reporting Service** - To promote wise giving in our community, the Better Business Bureau® Foundation of Northwest Florida maintains reports to provide donors with information on local charities. Using the BBB Wise Giving Alliance Standards for Charity Accountability, the foundation applies set standards to charitable organizations to provide information on the governance, programs, finances and fund raising practices of hundreds of soliciting organizations. The goal of this service is to promote ethical standards within the charitable community, provide information to the public on charitable organizations and educate individual and institutional donors on wise giving.



BBB Charity Seal

**Advertising Review Service** - The Foundation informs and educates the public to help consumers distinguish clear, honest advertising from that which is untrue, misleading, deceptive or otherwise inconsistent with the BBB Code of Advertising. The BBB monitors media outlets for truth in advertising as well as addressing consumer and business advertising complaints. Advertising review helps establish and maintain a level playing field for all businesses.

**Consumer Education Service** - The BBB Foundation provides brochures, pamphlets, radio and television programs, and presentations to educate and inform consumers concerning their rights in the marketplace.

Senior Solutions is one of the Foundation's main consumer education programs. Senior issues such as health care, estate planning, home repairs, scams and predatory lending are a few of the issues the Foundation addresses while educating and informing senior consumers, their families and caregivers.

The BBB Foundation also works with the U.S. military to encourage service members and their families to use the programs and materials of the BBB system, as well as to partner with local Better Business Bureaus (BBBs) to use BBB programs, services and materials as part of a formal program to assist Service members and their families with a variety of consumer-related issues.

## Member Benefits

- Free BBB Arbitration
- Monthly Member Newsletter
- Scam Alerts and Tip-Offs via e-mail
- Positive exposure through MIP program
- Free BBBOnLine Program
- Priority service through Member Line
- Advertising discounts in the Pensacola News Journal and Panama City News Herald
- Inclusion in Industry Reference Lists
- Reliability Report including direct link to company's Web site
- Advertising Review
- Direct link to company reliability report from Google Local

## Your Role and Responsibilities

Welcome to the Better Business Bureau of Northwest Florida, Inc. As a director, you have specific responsibilities and opportunities and, together with your fellow Board members, have ultimate control over BBB policies and performance as governed by its by-laws. As a member of the Board of Directors or Advisory Committee, your term of office is one to three years. Officers may serve longer terms in order to fulfill their elected responsibilities.

The Board of Directors is elected to represent member interests and uphold the principles of the organization. Accordingly, the Board should learn how the responsible business community thinks that business can best respond to the needs and wants of our northwest Florida communities, and translate those wishes into a proper course of action.

The Board should inform BBB members of its decisions, policies and programs. Above all, as a Director, you must be the catalyst for business self-regulation, be in compliance with BBB principles and actively participate in BBB activities and programs.

Your BBB Director role is far from being just an honorary appointment. BBB by-laws set down specific duties which normally include:

Employing the CEO of the BBB who is responsible for carrying out the Board's policies, managing the BBB staff, programs and services

Exercising control over the affairs, funds and property of the Better Business Bureau

Acting on membership applications and terminating membership for cause

Reviewing the financial condition of the Better Business Bureau

Assuring an annual audit, and amending by-laws when necessary

Determining policy and ensuring its implementation and adherence to system-wide BBB principles

Assuring that the BBB meets the 23 operating standards of the Council of Better Business Bureaus

### Points of Interest

- Liability insurance for the Board, Advisors, staff and volunteers is paid by the BBB at the direction of the Board of Directors
- This organization maintains a zero tolerance policy for harassment in any form. This includes board members, advisors, staff and volunteers acting in a capacity representing the BBB
- Staff, board and Advisors are asked to adhere to a conflict of interest policy. Realizing that some of the matters which come before the BBB and its board may be of a confidential nature, board and advisors are reminded to maintain the confidentiality of its deliberations at all times. Board and advisors are also asked to excuse themselves from deliberations in which a real or perceived conflict of interest may exist.

## Common Terms

The Better Business Bureau provides a number of services both to the public and businesses. Over the years, we have developed an abbreviated vocabulary which may sound complicated or confusing at first. To help you better understand, we have prepared a short primer on “BBBism’s”

**ADR** - Alternate Dispute Resolution. More commonly known as our three-step complaint process which is made up of conciliation, mediation and arbitration. The BBB utilizes trained staff and volunteers to serve as mediators and arbitrators.

**AutoLine** - A program for hearing major automotive manufacturer complaints through local BBBs. Funded nationally by most major auto manufacturers and overseen by the Council of Better Business Bureaus.

**e-Bindr** - Our computer software. Designed specifically for use by Better Business Bureaus.

**BBBOnLine** - A national program which takes the basic services and infrastructure already provided by the Better Business Bureaus on to the World Wide Web. The program was implemented in 1999.

**CBBB** - Council of Better Business Bureaus. Although we are an independent corporation, we are a member of, and abide by the standards of the Council of Better Business Bureaus located in Arlington, Virginia. CBBB provides uniform programs, services and governance to all Better Business Bureaus and maintains the trademark for the name.

**LARP** - Local Advertising Review Program. As part of the self-regulatory process, the BBB provides a venue for contesting advertising issues.

**Reliability Reports** - public reports provided without cost upon request. We maintain a database of more than 16,000 companies and professional firms. Information is gathered from several sources including the companies themselves, Secretary of State, other BBBs, consumers and other sources.

## Quotes about the BBB

*“The Better Business Bureaus have not relied on propaganda extolling the virtues of business. They have gone to work to clean out the shady areas in the commercial world.”* - Harry S. Truman

*“Make no mistake. If society doesn’t establish voluntary controls like the Better Business Bureaus, it can fully expect to have government controls to protect society from itself.”* - Stanley Marcus, Chairman Emeritus Neiman-Marcus

*“Down through the years the Better Business Bureaus have resolutely stayed the course, showing themselves to be the best friend American consumers have ever had.”* - Ronald Reagan

*“Through hard work and dedication, the Better Business Bureaus settle conflicts for countless businesses and consumers, letting the wheels of our economy continue to run smoothly.”* - William J. Clinton

*“Education is the key to avoiding frustration.”* - Norman Wright

## BBB Standards of Operation

As with any organization or company, the Better Business Bureau must meet certain business standards to ensure its operations are correctly carried out and its mission met. To this extent, the Better Business Bureau of Northwest Florida is required to meet a set of 23 standards to retain its designation as a BBB from the Council of Better Business Bureaus. To ensure compliance with the standards, the BBB is evaluated every three years by the Bureau Network Division of the Council of Better Business Bureaus.

### **Standard 1**

The Bureau board and/or the executive committee shall meet for purposes of governance at least six times each year. At least two such meetings shall be of the full board.

### **Standard 2**

The Bureau board shall approve the Bureau budget annually.

### **Standard 3**

The Bureau board shall assure that there are adequate membership and revenue development programs.

### **Standard 4**

The Bureau board must review any significant new programs before they are adopted.

### **Standard 5**

The Bureau board shall select a full-time Bureau CEO and review annually his/her performance, salary and benefits.

### **Standard 6**

The Bureau board must have an independent legal counsel who is independent of the board.

### **Standard 7**

The Bureau board of directors and CEO shall ensure that the Bureau maintains and utilizes an effective process to make sure that prospective and current members meet BBB membership standards. In addition, the Bureau board shall ensure that the following standards are met:

### **Standard 8**

The Bureau bylaws shall include provisions regarding acceptance and expulsion of members.

### **Standard 9**

The Bureau must have an independent financial audit at least every third year, with an independent review of accounts in the intervening years.

### **Standard 10**

The Bureau shall have a conflict of interest policy covering the board, the CEO and the staff.

### **Standard 11**

The Bureau CEO shall ensure that all membership sales and fund-raising efforts are conducted in an ethical and responsible manner.

**Standard 12**

The Bureau shall be open and accessible to the public during normal business hours, five business days each week, except holidays. The public phones shall be open six or more hours on each of those days.

**Standard 13**

The Bureau shall follow inter-Bureau procedures for handling complaints and inquiries, as set forth in Section IV of the CBBB Operations Manual (and also Section IX of the BBB Policy Manual).

**Standard 14**

The Bureau shall have a program for handling consumer and business complaints about business.

**Standard 15**

If the Bureau operates a dispute resolution (DR) or program(s) with a dispute resolution component, it must ensure that the quality and performance standards for the programs are being met.

**Standard 16**

The Bureau shall follow the “Standard Reporting Language Policy” when issuing reliability reports on businesses.

**Standard 17**

The Bureau shall have an advertising review program.

**Standard 18**

The Bureau shall have a program to investigate marketplace practices.

**Standard 19**

Bureaus reporting on soliciting charitable organizations must use standards, adopted by the Bureau board, that are not in conflict with BBB Wise Giving Alliance (WGA) standards.

**Standard 20**

The Bureau shall participate in the CBBB program of summarizing and reporting activities on a system-wide basis.

**Standard 21**

Bureaus shall be permitted at local option to charge fees or solicit contributions for inquiry and complaint services only in accordance with criteria and procedures that shall be established by the CBBB Board.

**Standard 22**

The Bureau CEO shall be responsible to the board for carrying out policy and for all administration of Bureau business, including the selection, training and performance of Bureau staff.

**Standard 23**

The Bureau CEO shall submit, at least quarterly, financial reports and program progress reports to the Bureau board.