



New Life Center Foundation (NLCF)

Overall Score

Rating charities on two distinct components – (1) Financial Efficiency + (2) Good Governance – in such a way that charities must excel in both areas in order to score well overall, requires a more complex calculation. The overall score is not a sum, but rather a measurement of the distance of two component scores from the theoretically perfect score of 100 and 100. The smaller the distance to the perfect score, the better the overall score. Mathematically, the formula we use to calculate the overall score is

In Excel: $100 - \text{SQRT}((100 - \text{Financial Efficiency})^2 + (100 - \text{Good Governance})^2) / 2$

Financial Efficiency Score

90

Good Governance Score

46

Score: **61**

Combined Rating	Stars
> 80 = 5 stars	
60-79 = 4 stars	★★★★☆
40-59 = 3 stars	
20 -39 = 2 stars	
10-19 = 1 star	
0-9 = 0 star	