

## UWWV FAQ

### About United Way

#### **What does United Way of the Wabash Valley do?**

Many people think that United Way is simply a non-profit that does fundraising and distributes these funds to support local agencies. That was the United Way of the late-20<sup>th</sup> century, but today's complex problems require proactive, permanent solutions. Our history of leadership enables us to spearhead comprehensive, community-wide change. We are a catalyst, a convener and a collaborator. Our work brings people together to determine the root causes of our community's most challenging problems and to do whatever it takes to achieve measurable and long-lasting results.

Today, United Way of the Wabash Valley has set a Bold Goal to move 10,000 families out of financial struggles and into stability! UNITED, we fight poverty! We'd like our whole community to Join the Fight! Learn more about our mission-driven work and the ALICE report [here](#).

#### **What is United Way of the Wabash Valley's service area?**

We serve 6 counties in Indiana and Illinois. Our counties include: Clay, Parke, Sullivan, Vermillion, and Vigo in Indiana and Clark County in Illinois.

#### **What do you do in our county and how much do you invest in that county?**

The fight against poverty doesn't know about "county lines". Our work is not specific to one county or one area. Often, many clients travel from one county to another to receive needed services. Even if a community partner is not located in that county, this does not mean it is not providing important assistance for those living in that county. United Way of the Wabash Valley is a regional entity. We invest in the best programs and initiatives to maximize assistance throughout the 6-county area.

#### **How is United Way accountable?**

Accountability and openness are critical to our success. Our Board of Directors oversees the management of the United Way of the Wabash Valley. Our Board and Finance Committee, comprised of volunteers, review and approve our annual budget and financial statements, which include fundraising results, community investments and operating expenses. We are proud that Charity Navigator, a leading charity watchdog, has given United Way of the Wabash Valley a 4-Star Rating, the highest possible for outstanding scores in both financial performance and accountability. UWWV remains the only 4-Star rated charity in the Wabash Valley. Please see the public access to our financial profile and all of our policies [here](#).

#### **How is United Way of the Wabash Valley connected to United Way Worldwide?**

Although part of a national movement focused on measurable community impact, United Way of the Wabash Valley is an independent nonprofit organization serving 6 counties. United Way Worldwide is a global service organization that provides services and support to nearly 1,800 local, independent United Ways across the world. All local United Way's including our United Way of the Wabash Valley

are autonomous organizations and are not required to follow or adhere to a national platform. As such, our United Way can and does focus on important local issues and a set agenda for community impact.

### **What is your overhead?**

The overhead ratio commonly refers to the percentage of a nonprofit's expenses that is devoted to administrative and fundraising costs. It is calculated from an organization's IRS Form 990 (like a tax return). For our UWWV, over the past two years, we have averaged **15 percent**. Our IRS Form 990 is publicly available on our website. Additionally, you can learn about overhead at Charity Navigator's website: <http://overheadmyth.com/faqs/>

How does our overhead compare? For nonprofits, the Better Business Bureau suggests overhead should be no more than 35%. According to a survey from the *NonProfit Times* (the leading business publication for nonprofit management), Americans believe nonprofits should spend only about 23% on overhead. Finally, United Way's national average runs at 17 percent. So, our UWWV rate at **15 percent** is excellent in all measures. United Way also helps hundreds of other nonprofits maintain low overhead rates by recruiting volunteers. To learn more about how United Way cultivates volunteerism, see our Volunteer Wabash Valley Website [here](#).

### **How much does your CEO make?**

This question gets at the heart of one of the most common misconceptions about overhead: that employee and executive salaries are considered "overhead" expenses. In reality, compensated staff members carry out all of the organization's functions. Without staff, very little if any of the organization's mission can be accomplished.

What many don't know is that as a matter of law, tax-exempt organizations are required to ensure that the salaries and benefits they pay their executives meet the IRS's definition of "fair and reasonable." Locally, our volunteer Personnel Committee, researches what people in comparable jobs earn at nonprofits that are of similar size and that have similar missions and programs and sets a Salary Structure for the entire organization including our local Executive Director. From this we can confirm that our local Director makes less than the median salary for comparable-sized United Ways and nonprofits in the Midwest and the country. Our local Executive Director salary is public information on our IRS Form 990.

United Way Worldwide (UWW) salaries are comparable to other top charities and foundations in the United States, including members of the Leadership 18, a group of the country's largest, most recognized public charities, as well as U.S. based charities with worldwide missions and scope of activities and certain private foundations with philanthropic missions similar to UWW. United Way is the world's largest privately-funded charitable organization, with nearly 1,800 locally-based United Ways in more than 40 countries and territories. United Way raises in excess of \$5 billion annually around the world.

## Investing in United Way

### **Why should I give to United Way instead of directly to a specific agency?**

We all have special interests, and we would not ask you to support United Way at the expense of another charitable organization. UWWV believes there are critical issues in our community that cannot be solved by a single agency alone. United Way's broad partnerships, coordinated planning and needs assessments and commitment to measurable results ensure that your gift will be used wisely and effectively to meet our community's most critical needs as a whole.

United Way monitors results to ensure the programs are making an impact. You can be certain your money is well invested. Many times, United Way of the Wabash Valley is also able to leverage Matching Grant funds from our State Association. When donors increase their gift, they match those dollars making a larger impact in the Wabash Valley. We have one goal -- to create a community where everyone can thrive. United Way turns your good intentions into results -- by making the greatest difference possible in our community.

### **Who determines how my donation is spent?**

Volunteers and donors. Individuals like you, who represent a broad spectrum of our six-county region, serve on Review Teams that are part of our Community Impact Committee. These review teams make recommendations on grant funding after a thorough review of the program and application materials.

United Way of the Wabash Valley is a local organization making local decisions on how our resources are invested. From initiatives like *Healthier by 2020!* and *Success By 6* to services like 2-1-1, to investments in community partners your investments truly make a difference.

### **Is my donation tax deductible?**

Yes. United Way of the Wabash Valley is a federally registered 501(c)3 not-for-profit corporation. Donations are tax-deductible to the extent allowed by an individual's or corporation's circumstances.

### **My family is on a tight budget, but we'd still like to give. Is there a minimum?**

There is no minimum gift. It's not the size of one gift - it is all of us giving together that makes United Way a unique and powerful concept. Every donation matters!

### **Does United Way condone pressure in giving?**

No. Contributions to United Way are voluntary. Acts of coercion in any form are unacceptable. This is very important to United Way of the Wabash Valley. We believe that the most responsive contributors are those who are informed about the important work we do. An effective communications program, conducted by committed volunteers and supported by a well-planned campaign, encourages an enthusiastic response.

While some persons may share stories from a workplace where they feel they were pressured to give, in such cases the best we can do is apologize and explain that this is not now or ever has been United Way's philosophy for fundraising. Coercion or pressure to donate in a workplace campaign is wrong, and unfortunately, it says more about the workplace culture than about United Way, but sadly it is the United Way that suffers long-term for this practice.

## United Way's Community Impact

### **What organizations does United Way support?**

United Way of the Wabash Valley invests in more than 60 programs and community change efforts with more than 50 community partners. United Way also provides additional grants throughout the year for innovative new community impact opportunities. For a full list of our community partners, visit our website [here](#).

### **How much money goes out of our local area?**

United Way's strength for decades has been our ability to identify local needs and use our resources to generate positive change in our community. Less than three quarters of a percent of our resources are spent on United Way membership and licensing. However, even these expenses bring value to our community through the benefits we receive such as training, national advertising and public policy support, and the ability to draw on "best practices" of United Ways throughout the country.

Money raised in our six-county region stays here, supporting local programs and helping local people. We operate autonomously—with the flexibility to address the specific needs of the Wabash Valley—while having the ability to draw on the best ideas of United Ways throughout the country.

### **Does United Way of the Wabash Valley invest in Planned Parenthood?**

No. UWWV does NOT fund any programs at Planned Parenthood. Additionally, we do not accept donor designations to any organizations that are not community partners, so we would never process a designation to Planned Parenthood. This topic has come up frequently enough that United Way Worldwide addresses it with a statement on their website:

<https://www.unitedway.org/plannedparenthood>

More to the point that normally brings this question to light, no United Way funds are currently used, or have ever been used to support abortion services locally or nationally.