

# 2007 Questions and Answers



United Way of the  
Greater Dayton Area

**Q. *How much does United Way spend on overhead?***

**A.** Only 16% of the 2006 Campaign pledges is being used for administration and fundraising in fiscal year 2007-2008. On the most recent IRS Form 990 (for fiscal year 2005-2006) United Way's overhead was 18.4%. This figure is slightly higher as it includes revenue outside of the campaign proceeds which United Way receives for providing administrative services for other United Ways in the region. The United Way volunteer and staff leadership is committed to maximizing dollars for services and minimizing internal expenses. United Way's administrative costs are among the lowest in the community – well below the Better Business Bureau guidelines of not more than 35% for fundraising and 50% for total overhead.

**Q. *Can I designate my gift?***

**A.** Yes, you may direct up to 100% of your contribution within the United Way of the Greater Dayton Area's network of services, including to the 84 Partner Agencies. If you wish to support a 501(c)(3) health or human service organization that is not a Partner Agency, you may direct up to 50% of your total pledge to that agency. The balance of your gift can then be directed anyway you wish within the local United Way network. This win-win policy is based on an "and" not "or" approach – to maximize funds available for the community allocation process to support programs addressing priority needs, while also allowing donors to direct how their contributions will support local health and human services.

**Q. *Do designations to Partner agencies make a difference?***

**A.** Yes, since 1990, designations to Partner Agencies have been a separate stream of funding from the Community Solutions Fund. Many people still mistakenly believe that designations are the "first dollars in" towards a Partner Agency's allocation from the volunteer process, but in actuality the two funding streams are intentionally kept completely separate.

**Q. *What is pledge loss?***

**A.** Not all the money pledged in the campaign is collected due to people moving, changing jobs, or other reasons. Obviously, this money cannot be spent. United Way is working to drive that number down to increase the dollars available for local services. In recent years, that figure has ranged from 7 to 8 percent.

**Q. *What accountability standards does United Way have in place?***

**A.** All United Way financial records are handled in accordance with American Institute of Certified Public Accountants guidelines and Financial Accounting Standards Board standards for all nonprofit organizations. A volunteer Finance Committee, chaired by the Board Treasurer, oversees the financial operations. Each year United Way is audited by an independent accounting firm (currently Clark Schaefer & Hackett) and consistently receives a "clean" audit. United Way practices full voluntary disclosure of its financial records.

**Q. *Does the United Way of the Greater Dayton Area fund the Boy Scouts?***

**A.** Yes. United Way is committed to providing quality services to local children and youth. In 2007 the Boy Scouts, Tecumseh Council serving Greene County is receiving \$16,665 in volunteer allocated funds and \$42,754 in donor-directed gifts. The Boy Scouts, Miami Valley Council serving Montgomery and Preble Counties is receiving \$97,966 in donor-directed gifts.

**Q. *What happened to the former president of United Way of America?***

**A.** Each United Way is local and autonomous. United Way of America is the national membership organization where, in 1992, allegations were raised regarding the president's expense practices. Mr. Aramony was convicted of conspiracy, mail and tax fraud and served a seven-year sentence in prison. Our local United Way was very concerned about what happened. The Board stopped paying dues until we were convinced that United Way of America had controls in place to be fiscally accountable, and NCR made a special donation to replace any local money that might have been misused. Since then United Way of America has been well managed and accountable to local United Ways.