

### **What is United Way of the Greater Dayton Area's designations policy?**

Donors may direct all of their contribution within United Way of the Greater Dayton Area's network of services, including to LIVE UNITED FUND (former called the Community Solutions Fund); the 3 Impact Areas of Education, Income, and Health; the Affiliated Agencies; any United Way; or the Affiliated Agencies of neighboring United Ways. Donors may also direct up to half of their total pledge to a qualified 501(c) 3 health or human service organization that is not a Affiliated Agency. The balance of the gift can then be directed any way they wish within our local United Way network. 84 cents out of every designated dollar collected goes to the program or service. The remaining 16 cents covers pledge processing and fundraising. This figure is different than the overhead rate, which is a calculation of expenses to revenue.

### **Do designations to Affiliated Agencies affect Grants from LIVE UNITED FUND?**

No. Since 1990, designations to Affiliated Agencies have been a separate stream of funding from LIVE UNITED FUND (formerly called the Community Solutions Fund). Many people still mistakenly believe that designations are the "first dollars in" towards an Affiliated Agency's grant from the volunteer process, but in actuality, the two funding streams are intentionally kept completely separate.

## **Guiding Principles**

### **I. The Donor Designation Policy is based on the following premises:**

- Donor-designated gifts will be a separate source of funding from the community grant process.
- The processing fees associated with donor-designated gifts will be applied based on percentage of the total designated donation.
- Agency eligibility to receive donor-designated gifts will be limited to those agencies providing a health or human service within a set geographic area to meet United Way's focus on the local community.
- Agencies will agree not to solicit for designated gifts to ensure a fair and equitable process.
- Regional and national employee campaigns designation policies will be honored.

## **Donor Designations**

II. To maximize the funds for the network of programs, services and agencies through the community grant process, United Way of the Greater Dayton Area will actively promote gifts to LIVE UNITED FUND and the impact areas. A donor may designate 100% of their gift to United Way of the Greater Dayton Area, the Impact Areas, Affiliated Agencies, any other United Way, or the affiliate agencies of our neighboring United Ways.

Individuals who wish to support the community campaign and designate a portion of their gift to support any other eligible agencies may direct up to a maximum of 50% of their contribution outside of the United Way network.

### **Agency Eligibility**

III. The following types of organizations are eligible to receive donor designations:

- United Way of the Greater Dayton Area, including the three Impact Areas (Education, Income and Health, and the three counties (Montgomery, Greene and Preble)
- Affiliate Agencies of United Way of the Greater Dayton Area
- Other United Ways
- Affiliated agencies of neighboring United Ways
- Nonprofit organizations holding an IRS 501(c)(3) tax exempt status and providing health and human service programs to our geographic area and contiguous counties

All agencies receiving designations must provide a signed Patriot Act certification form annually.

An agency outside the United Way network must be able to demonstrate it provides a health and human service program and serves residents of the Dayton region or have a physical presence in one of the contiguous counties (Butler, Champaign, Clark, Clinton, Darke, Fayette, Madison, Miami and Warren in Ohio and Wayne County, Indiana).

Self-promotion for designations by an agency is grounds for ineligibility. Failure to promptly address and adequately resolve issues of non-compliance will lead to disqualification.

### **Donor Acknowledgement**

IV. United Way confirms donor designations through thank you cards for paper pledges and email verification for e-pledge campaigns. It is the responsibility of the agency to also acknowledge donor-designated gifts. United Way posts the agency-specific designation reports on a secure website by April each year. Agencies are informed and encouraged to check back periodically as not all national and regional accounts report their donor designations by the date of the first notification.

### **Administration of Donor Designations**

V. United Way of the Greater Dayton Area assumes the responsibility of administering the Donor Designation Program on behalf of participating donors and eligible agencies. United Way processes payment to agencies quarterly, based on actual dollars received.

United Way will cap Donor Designation processing fees at 16% of actual dollars collected, with a \$750 maximum on any individual gift. Only actual collected amounts can be passed on to the agencies, so payments to the agencies are made quarterly as pledges are received.

Pledge payments are applied based on the information provided by the company and/or payroll processor. If payments are not identified by individual donor, they are applied across all donations within the organization based on percent of total. Therefore, any payment shortage due to uncollected pledges must be spread proportionately and may affect designation payouts.