QUESTIONS & ANSWERS
2019 Campaign
## CONTENTS

### GENERAL QUESTIONS
- What does United Way do? ................................................................. 3
- What is United Way of Greater Cincinnati’s service area? .................. 3
- Who oversees United Way of Greater Cincinnati? ............................ 3
- How is Executive compensation determined? ................................. 3
- How is our United Way connected with other United Ways? ............ 4
- How can I get help for myself or someone I know? ....................... 4
- Is United Way efficient with the money it raises? ............................ 4

### GIVING
- Why should I give to United Way? .................................................. 5
- How can I give? .............................................................................. 5
- Why should I give to United Way’s Community Impact Fund rather than designate my gift? .................. 5
- But what if I want to make a contribution to a specific nonprofit? .... 5
- Are United Way donations tax-deductible? .................................... 5
- How do the tax reform and new tax laws affect my donation? ......... 6
- How much of my donation goes to administrative costs? ................ 6
- What if I feel pressured to give? ..................................................... 6

### PROGRAMS, INITIATIVES & SERVICES
- What organizations does United Way support? .............................. 7
- Why does United Way support a system of programs instead of a cause? 7
- How does United Way decide what programs to fund? .................. 7
- How do I know that United Way partners use the funds responsibly? 7
- What does United Way support beyond its initiatives and partner agencies? ........................................... 7

### FUNDRAISING
- How did the shortfall in the 2018 Campaign happen? ..................... 8
- What is the impact of the shortfall in the 2018 Campaign? .............. 8
- What have been the effects of last year’s 20% reduction in services? 8
- Do you expect further shortfalls in fundraising in this year’s campaign? 8
- What about stories of high overhead at United Way? .................... 8
- Shouldn’t you be reducing your budget for fundraising? ................ 9
- What about the trends away from workplace giving? .................... 9
- What is the strategic organizational plan moving forward? ............ 9

### LEADERSHIP
- Why and how did your former CEO depart? .................................... 10
- What is the status of the CEO search? ......................................... 10

### DIVERSITY, EQUITY AND INCLUSION (DEI)
- Why does diversity, equity and inclusion matter to United Way? .... 11
- How are you operationalizing your DEI strategy? ......................... 11
WHAT DOES UNITED WAY DO? 1 2 3

United Way is breaking the cycle of poverty by providing strategic solutions to our community’s basic needs, financial stability, education, and health challenges.

We deliver this value in three ways:

1. We **develop a deep understanding of the issues** that matter most to our community:
   Through research, data, and community engagement, we understand the causes and solutions.

2. We **create new solutions** to meet community needs:
   We focus on essential strategies for reducing poverty (basic needs, education, financial stability, and health), and we invest in a portfolio of the best programs that deliver results.

3. We **bring organizations together** to do more:
   We build partnerships and relationships across all sectors that coordinate services for communities, drive change in the policies and systems that hold families back and get results at a scale that no organization can do alone.

The force that drives us is that we unite communities to change lives. We bring people, organizations, and resources together to find solutions to our community’s most complex challenges. We lead programs, partner with others and change systems to break the cycle of poverty in our region.

WHAT IS UNITED WAY OF GREATER CINCINNATI’S SERVICE AREA?

We serve 10 counties in Ohio, Kentucky, and Indiana. Our counties include Hamilton, Brown, and Clermont counties and the Middletown, Monroe, Trenton areas in Butler County in Ohio; Boone, Campbell, Grant, and Kenton counties in Northern Kentucky; Dearborn and Ohio counties in Southeast Indiana.

WHO OVERSEES UNITED WAY OF GREATER CINCINNATI?

United Way is a volunteer-led organization. We are governed by a local board of directors who represent every sector and region served. The board develops strategic direction, sets policies and ensures capable staffing. A staff team of over 100 individuals works hand-in-hand with the board and dozens of other leadership and community volunteers. Our board members sit on oversight committees which oversee all aspects of our operation including human resources, fundraising, marketing, community impact (programming), accountability and services, and executive compensation.

HOW IS EXECUTIVE COMPENSATION DETERMINED?

Executive compensation is determined through a rigorous process, conducted by outside experts who have the objectivity and professional experience to qualify them for this responsibility. This is a process that has been in place for years, which has contributed to UWGC being recognized for its good governance by Charity Navigator and the Better Business Bureau.
GENERAL QUESTIONS

HOW IS OUR UNITED WAY CONNECTED WITH OTHER UNITED WAYS?
United Way of Greater Cincinnati is an independent and self-governing member of the United Way Worldwide network - a network of nearly 1,800 local United Ways around the world. We meet annual membership requirements and receive benefits such as training, national advertising and public policy support, and the ability to draw on the best practices of United Ways throughout the country.

HOW CAN I GET HELP FOR MYSELF OR SOMEONE I KNOW?
Call United Way 2-1-1, a free, confidential non-emergency hotline that will connect you to health and human services. United Way 2-1-1 is available 24/7/365 in more than 150 languages. Our United Way 2-1-1 specialists can connect you with important community services, such as child care, flu-shot information, employment assistance, volunteer opportunities, counseling, food, shelter and more.

United Way 2-1-1 is one of the many initiatives that United Way leads to help people address their basic needs, education, financial, and health challenges.

IS UNITED WAY EFFICIENT WITH THE MONEY IT RAISES?
Absolutely. We work hard to ensure that most donor dollars are at work in our community, and we invest 85% of the funds we raise back into our local community. Charity Navigator scores us 100% for accountability and transparency, and our administrative expense is half the local average of the other 56 largest charities in the Cincinnati region, according to Charity Navigator.
WHY SHOULD I GIVE TO UNITED WAY?
When you support United Way, you are supporting the largest organized community effort to help break the cycle of poverty for children and families in our area. Because we develop a deep and research-based knowledge on the issues of our community, we provide long-term solutions to the challenges like no other organization can do in the region.

We implement strategies for reducing poverty (basic needs, education, financial stability, and health), and we invest in a portfolio of the best programs and causes that deliver results. Moreover, we build partnerships and relationships across all sectors that coordinate services for communities, drive change in the policies and systems that are limiting our community’s growth and development.

HOW CAN I GIVE?
You can donate online at any time at UWGC.org or make a gift during your company’s annual United Way campaign.

WHY SHOULD I GIVE TO UNITED WAY’S COMMUNITY IMPACT FUND RATHER THAN DESIGNATE MY GIFT?
Because we can allocate the financial resources to those key areas and initiatives that are most critical and effective to breaking the cycle of poverty. We make data-driven/evidence-based decisions grounded on years of research, which enable us to implement innovative strategies that will be more effective and efficient for reducing poverty.

Also, we have an active role in uniting more than 140 incredible nonprofit organizations and initiatives and combining your gift with thousands of others to do what no one person can do alone. The collective impact and community investment is essential to changing lives across this region.

BUT WHAT IF I WANT TO MAKE A CONTRIBUTION TO A SPECIFIC NONPROFIT?
If you have a particular interest in one of our impact areas — health, education or financial stability — you may designate your gift to that cause on your pledge form. If there is a specific initiative or agency partner you’d like to support, you can also assign all or a portion of your gift.

ARE UNITED WAY DONATIONS TAX-DEDUCTIBLE?
Yes. United Way of Greater Cincinnati 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. Those contributing through payroll deduction in their workplace should keep a copy of their e-pledge receipt or signed pledge card and maintain their last pay stub of the tax year or Form W-2 from their employer that summarizes the amount withheld for United Way.
HOW DO THE TAX REFORM AND NEW TAX LAWS AFFECT MY DONATION?

The new law increases the 50 percent of your adjusted gross income limitation for donations by cash, check or credit card to 60 percent. You will still be able to deduct your charitable contributions when you itemize your taxes. The tax rates on capital gains and dividends remain the same at 0, 15 and 20 percent, depending on your tax bracket. The limitation on charitable gifts of long-term appreciated property to public charities will remain at 30 percent of your adjusted gross income. You can still carry over any excess for up to five additional years. There are many ways you can give this year that not only make a difference at United Way of Greater Cincinnati but offer you benefits as well. Please consult with your tax or financial advisors to determine the best charitable giving strategies for you.

Learn more: http://uwgc.planmylegacy.org/tax-reform-giving

HOW MUCH OF MY DONATION GOES TO ADMINISTRATIVE COSTS?

The administrative cost includes various factors that contain management, general costs and resources that are allocated to conduct research, community engagement initiatives, and issues awareness, which all of them have a direct impact on the communities we serve.

Our management and general costs are 5.3% of our total budget. That is half the local average compared to the other 56 largest charities in the Cincinnati region, according to Charity Navigator. Fundraising costs are 10.3% of our total budget.

We invest 85% of the total funds we raise back into our local community. Charity Navigator also scores us 100% for accountability and transparency.

WHAT IF I FEEL PRESSURED TO GIVE?

At United Way, we believe that giving and providing for the community is a voluntary and personal choice. However, it is our responsibility to bring awareness around the basic needs, education, financial and health challenges of the people that are living in poverty, with the hope that other individuals will come together and join us in our efforts to break the cycle of poverty.

Neither United Way nor its volunteers believe people should be forced to give. We discourage pressure in any form as it defeats the very idea of voluntary giving. Any semblance of pressure (whether real, implied or perceived) is contradictory to our operating standards. If you feel that you have been pressured to give in a workplace campaign, please contact the United Way Engagement Leader at your organization to express your concern or contact us directly.
WHAT ORGANIZATIONS DOES UNITED WAY SUPPORT?

United Way of Greater Cincinnati invests in more than 230 programs and community change efforts at more than 140 agency partners and in about a dozen initiatives. We’re working harder than ever before to help reduce poverty. Significant changes in our investment model and the way we work with agency partners in 2018 are aimed at helping children and families move from poverty to self-sufficiency. United Way also provides additional grants throughout the year for innovative new community impact opportunities.

WHY DOES UNITED WAY SUPPORT A SYSTEM OF PROGRAMS INSTEAD OF A CAUSE?

United Way supports a system of programs instead of a cause because there is not one cause that will address all the issues around poverty. Therefore, we have a more holistic approach to breaking the cycle of poverty. Through a system of programs, we can tackle many issues providing multi-dimensional solutions to a multi-dimensional problem.

The power of United Way is our collective ability to create community solutions to community challenges. At our core, is our passion for uniting communities to change lives. United Way invests in a system of programs and services across various areas (education, health, financial and basic needs) with a key focus on children and families in poverty to meet the varied needs of people in our region. We view these areas as interconnected, much as the issues people face tend to be. They’re often complicated, with no one single solution.

HOW DOES UNITED WAY DECIDE WHAT PROGRAMS TO FUND?

We use data and evidence-based research to find the solutions that will make more effective our efforts to break the cycle of poverty. At the same time, we rely on our Volunteers who make investment decisions based on their impact, alignment to our Agenda for Community Impact, and accountability. All funding is contingent upon the partner’s sound operation, delivery of services and achievement of measurable outcomes.

HOW DO I KNOW THAT UNITED WAY PARTNERS USE THE FUNDS RESPONSIBLY?

We are audited each year by an independent accounting firm to ensure we comply with generally accepted accounting procedures, regulations, and laws. We are pleased to share our best practices on how we steward our community’s investment. In its most recent annual study, we received a 100% rating for accountability and transparency from Charity Navigator, an independent evaluator of charities throughout the United States. We strive to meet the philanthropic goals of our donors and offer a donor satisfaction guarantee. We are a long-standing member of the Better Business Bureau.

WHAT DOES UNITED WAY SUPPORT BEYOND ITS INITIATIVES AND PARTNER AGENCIES?

In addition to supporting agency partners and many strategic initiatives and collaborations, United Way of Greater Cincinnati:

- Helps policymakers, community leaders and service providers identify the health, social and economic issues facing our region through the Community Research Collaborative.
- Develops public sector support for comprehensive solutions through funding and system change through public policy advocacy.
- Provides opportunities for individuals and groups looking to make a difference through United Way Volunteer Connection.
HOW DID THE SHORTFALL IN THE 2018 CAMPAIGN HAPPEN?

The 2018 campaign raised over $50 million for our community, down from $60 million in 2016. Even though more than 200 companies reported campaign increases, a perfect storm of changes in the philanthropic environment contributed to this shortfall, including:

- Companies moving from one-time campaign to a year-round open choice giving
- Changing giving habits
- Reduced workforces

United Ways across the country are all experiencing these same trends. United Way of Greater Cincinnati remains in the Top 10 of United Ways across the country.

WHAT IS THE IMPACT OF THE SHORTFALL IN THE 2018 CAMPAIGN?

The shortfall in the 2018 Campaign has a direct impact in the funds, resources and performance of our and agency partners initiatives that address the community’s challenges around health, financial, education and basic needs since we invest 85% of the total funds we raise back into our local community.

United Way funding provides services for more than 300,000 people; while agencies are adjusting to the reduced funding level in different ways, a 20% cut undoubtedly impacts the lives of tens of thousands of people in our community.

United Way also took the same 20% cut in our 2019 operating budget, impacting our resources for conducting research, community engagement initiatives, and issues awareness, among other.

WHAT HAVE BEEN THE EFFECTS OF LAST YEAR'S 20% REDUCTION IN SERVICES?

With reduced United Way funding, some families no longer have access to childcare. Youth continue waiting for a mentor. Homeless shelters are at capacity. And on and on. Declines in funding directly impact 140 agencies and tens of thousands of our neighbors across the Tri-state who no longer have access to critical services.

DO YOU EXPECT FURTHER SHORTFALLS IN FUNDRAISING IN THIS YEAR’S CAMPAIGN?

Our Chairman’s Challenge – which involves major donations and matching funds – is off to a strong start with 2.5 million raised from prominent individuals and companies increasing their donations vs. last year. On top of that, we have a strong campaign chair – Archie Brown of First Financial Bank – and co-chair – Cynthia Booth owner of COBCO Enterprises. They are fully dedicated to the campaign.

WHAT ABOUT STORIES OF HIGH OVERHEAD AT UNITED WAY?

Even with fluctuations in fundraising, United Way is one of Cincinnati’s most efficient large non-profits. United Way invests 85% of the funds raised back to the community. Administrative expenses are half the local average of the other 56 largest charities in the region, according to Charity Navigator. Further, Administrative expenses are not bureaucratic – they allow the men and women of United Way to get the biggest bang for the buck, invest donors’ money most effectively and coach other nonprofits on how to have the greatest impact.
SHOULDN'T YOU BE REDUCING YOUR BUDGET FOR FUNDRAISING?

First off, we're not asking agencies to do things we aren't willing to do ourselves — we took the same 20% cut to our operating budget as they did. Secondly, when it comes to declining revenues, the best defense is a strong offense. Any business with declining revenue knows it cannot cut sales and marketing to grow. Just like a firm in the private sector, we can't cut our way to growth. We need innovation to grow.

WHAT ABOUT THE TRENDS AWAY FROM WORKPLACE GIVING?

As we have for over a century, we must anticipate, and lead change in the face of changing trends in philanthropic giving. The fact of the matter is that campaign fundamentals have been deteriorating for years. This is not the result of one bad campaign somehow impacted by one CEO's departure. Although that certainly didn't help, three major trends have led to recent campaign shortfalls: companies moving to open choice giving platforms, reduced workforces at major local companies, and changing giving habits of younger donors.

United Way – both locally and nationally – is not broken, but the legacy fundraising model is becoming outdated and we're working aggressively to change it. Just like every business, we must adapt to a rapidly changing world to stay relevant. We won't be successful by doing the same things we've always done. We are on the leading edge of United Ways across the country working together to build the model of the future. We recently launched Salesforce Philanthropy Cloud which is a game-changing platform that will revolutionize the workplace campaign as we know it. With renewed board leadership and corporate support, we are setting ourselves up for a strong 2019 campaign.

WHAT IS THE STRATEGIC ORGANIZATIONAL PLAN MOVING FORWARD?

We are focused on building a stronger United Way to deliver even more impact for our community. Towards that end, we are focused on these strategic imperatives in 2019:

- Maximize resources for our poverty-fighting work
- Accelerate our digital transformation to engage our donors more deeply
- Clarify our value proposition to demonstrate how we can accomplish more together
- Improve diversity, equity, and inclusion, both internally and externally.
WHY AND HOW DID YOUR FORMER CEO DEPART?

United Way has had challenges over the last year. After a highly impactful seventeen-year run, United Way’s CEO retired. The transition to a new CEO just didn’t work out. This is not unusual. In the private sector, 50% of CEO successions are unsuccessful. We regret we did not effectively communicate to the public and other stakeholders during and after the events of last fall. For that we are truly sorry.

Out of respect to those involved, we essentially stayed silent. Our silence left a communication vacuum that others naturally filled. And now we must regain our voice and join with the community in lifting families out of poverty.

WHAT IS THE STATUS OF THE CEO SEARCH?

We now have a board chair and chair elect. An active search is on for a permanent CEO, led by a diverse coalition of community leaders. The Board expects to select and name the new CEO by September. Our board is also conducting a full governance review to identify ways to strengthen our governance model. Changes are expected to be made in the fall.
WHY DOES DIVERSITY, EQUITY AND INCLUSION MATTER TO UNITED WAY OF GREATER CINCINNATI?

To solve our community’s most challenging issues will require all voices and experiences to be heard and valued. Building an environment that celebrates differences, encourages authentic participation and creates trust will ensure everyone within our region has the opportunity to thrive. Although we have been on a journey of diversity and inclusion for over a decade, we have listened to and are being responsive to the need for increased intentionality to produce more equitable outcomes and inclusive environments.

HOW ARE YOU OPERATIONALIZING YOUR DEI STRATEGY?

United Way of Greater Cincinnati is committed to including diversity, equity, and inclusion (DEI) at the center of our daily work and engagements with the community. We embrace this as a business imperative to achieve our mission of uniting communities to change lives. In 2019 we elevated DEI and culture as one of our four winning priorities for the organization. We are taking an intentional approach towards sustainable change; creating an inclusive environment for all and ensuring that our staff and volunteer demographics are reflective of the communities that we serve. Earlier this year we commissioned a series of holistic equity and inclusion audits to identify where opportunities to improve exist within United Way of Greater Cincinnati policies, practices, and procedures. In July 2019, we also released our inaugural Community DEI report. For the first time ever, we transparently shared our data as well as information collected from our 140 agencies around DEI key performance indicators. This has allowed us to identify where the greatest challenges and opportunities exist for us to engage in a shared learning journey. We also launched the Champions of Change initiative – a new leadership program for African American community leaders to invent new ways to fund Black-led efforts that will reduce poverty and build wealth.