

# UNITED WAY OF GREATER LAFAYETTE

## CAMPAIGN ALLOCATIONS FAQ

### **Q: What does United Way do?**

A: United Way of Greater Lafayette's mission is to mobilize our community to improve lives. United Way of Greater Lafayette helps move our community out of crisis and into self-sufficiency through our internal programs and our funded partners. We do this through being a critical fundraising arm for 25+ local nonprofits, providing direct programming and services, and collaborating with community partners to identify solutions to complex problems such as housing, childcare, mental health and substance use.

### **Q: Where Does the Money Go?**

A: Money raised by United Way of Greater Lafayette is allocated by the Community Investment Committee (CIC) as approved by our Board of Directors. Our CIC volunteers visit partner agencies to understand their challenges, what the needs are and what the impact of United Way dollars is.

- You can learn more about the CIC process at [www.uwlafayette.org/cic](http://www.uwlafayette.org/cic).
- All funded partners can be viewed on our website at <https://uwlafayette.org/our-partners/#fundedpartners>.
- The annual reports found on our website also provide a breakdown of funding partners, impact data, and financial information. <https://uwlafayette.org/about-us/>

### **Q: Does Vanguard Leadership Giving only cover United Way salaries?**

A: No. While Vanguards comprise only 10% of our donor base, these donors contribute nearly 50% of all donations received. In 2022 these donations were close to \$2M. These donations, like all others, go through our Community Investment Committee (CIC) process where the money that is unrestricted goes where the committee sees the greatest need as recommended by the CIC volunteers.

### **Q: Can I choose which partner agency or non-profit I donate to?**

A: Yes. You can designate your gift to go to our partner agencies or any other 501c3 designated non-profit organization (8% administration fee for non-profits that aren't funded partners) You can also designate to a particular program like Read to Succeed, Kindergarten Camp, VITA, etc.

### **Q: What percentage of dollars raised goes toward overhead?**

Every two years, UWGL has the opportunity for a grant from Indiana United Ways funded by Lilly Endowment, Inc. This fluctuation in revenue directly effects the calculated overhead rate leading to the variability in the overhead costs so we calculate overhead on a four-year average. The four-year average for 2022, which includes two grant years, and two non-grant years is 13%. This means that 87% of the dollars go to programs and services. UWGL has a Return on Investment (ROI) of greater than 1. This means for every \$1 that is invested in United Way, more than \$1 is invested into our community through other grants and leveraged funds. UWGL also saves our funded partners from higher overhead costs by reducing their time spent actively fundraising.

For more information on our financials visit our Guidestar page where we have earned a Platinum Seal of Transparency. <https://www.guidestar.org/profile/35-0891621>

### **Q: How does United Way of Greater Lafayette's overhead compare to other nonprofits or other United Ways?**

Overhead rates vary at local United Ways. In the U.S, the local United Way network-wide overhead rate is 14.5%, which is well below industry standards. CharityWatch, for example, reserves its "highly efficient" rating for

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organizations that spend less than 25% of their budget on overhead and save at least 75% of funds for direct programming costs. The Better Business Bureau says that nonprofits should not spend more than 35% on overhead.

### **Q: Does my donation to United Way stay local?**

UWGL is a local nonprofit with a local board and local volunteers making funding decisions. We have 25+ local nonprofit agency partners who receive funding each year. The money raised in Greater Lafayette stays in Greater Lafayette unless a donor has designated it outside of the area. All our funded partners and programs are listed on our website at [www.uwlafayette.org](http://www.uwlafayette.org).

### **Q: Why not give to the agencies directly instead of giving to United Way?**

A: United Way gives you a higher return on investment by utilizing leveraged grants, volunteer hours, and our direct service programs to take your donations even further. United Way can nearly double the donation impact. An investment in United Way will ensure the availability of an entire network of human services. For example, a homeless family needs food, clothing, and shelter. If you give it to a specific agency like LTHC (Lafayette Transitional Housing Center) you can help with this. But, what if the family also needs job training, daycare, and counseling to leave the shelter? No one agency can meet all the needs of this family. United Way helps to make sure all these services are available, from the temporary bed in shelter to the long-term solution of housing and employment.

### **Q: Does my small donation make a difference?**

Every dollar just like every person makes a difference. When combined through a community campaign like United Way, those funds are a force for good in our community. United Way of Greater Lafayette depends on the generous support of everyone in the community. By everyone doing their part, we can continue to provide these critical services to those in need. More than 9,000 individuals, families, and businesses contribute each year. Gifts ranged in size from \$1 to tens of thousands of dollars. When everyone does a little it adds up and makes a remarkable difference throughout the region.

### **Q: Does United Way only raise money for other organizations?**

A: We raise money for our local funded partners, our internal programs, community activities, and more. United Way raises funds to keep our local social services network (25+ nonprofit partners) funded where they can continue to thrive within our community impacting thousands of lives per year.

In addition to raising funds annually UWGL provides direct service programs like Read to Succeed, VITA, Kindergarten Countdown Camp. These programs have been in place since 2011.

Outside of fundraising, UWGL facilitates community conversations to help determine challenges our community is facing and identify solutions around topics like mental health, substance use, homelessness, etc.)

### **Q: How does the United Way Worldwide impact local United Ways like United Way of Greater Lafayette?**

A: UWGL is a completely independent not-for-profit charitable organization, just like every other United Way chapter. In other words, UWGL is not under the supervision or control of United Way Worldwide, with the exception of the fact that UWGL has agreed to meet the rigorous and comprehensive standards required for annual certification as a member in good standing of the United Way system. UWGL pays a small annual fee to United Way Worldwide. In return, UWGL receives access to a wealth of fundraising, training, education and advocacy materials and opportunities - as well as the right to use the United Way logo and other proprietary materials.