TODAY’S AGENDA

• Why and how we are changing  
  -- Ed Rice
• Progress to date  
  -- Jonathan Gurwitz
• United Way President’s Perspective  
  -- Chris Martin
• Q & A
KEY TASK FORCE OBSERVATIONS

- Complex problems require organized collective action
- 68 strong agencies and 137 strong programs
- 4 Priorities: Children, Education, Families, Safety Net
  - Difficult to align programs with priorities
- No systematic means to adjust priorities to meet changing community needs
  - Results in unmeasured/unknown alignment to community needs
- Most programs operate independently
  - Results in low synergy and missed opportunity for greater impact
KEY TASK FORCE FINDING

Enhancing our value to the community
Transition from a program-oriented funding approach to an impact-oriented funding approach
TRANSITION CONSIDERATIONS

• Ensure there is community involvement in setting priorities... including agencies, leading stakeholders, etc.
  • Form Impact Councils

• Ensure there is adequate time for agencies to adjust to change
  • 2 year transition

• This change will likely result in adjustments to funded agencies and programs
  • Some agencies will receive increased funding
  • All agencies continue to be eligible for designations
  • Share funding changes with other funders
IMPACT-ORIENTED FUNDING APPROACH

**Collective Impact** is the commitment of a group of actors from different sectors to a common agenda for solving a specific social problem, using a structured form of collaboration.

**Results-Based Accountability**
- Select goals*
- Develop strategies to achieve the goals*
- Fund programs to implement the strategies
- Make data-informed decisions
- Adjust as necessary

* Agency reps participated
COMMUNITY INVOLVEMENT

Collective Impact is the commitment of a group of actors from different sectors to a common agenda for solving a specific social problem, using a structured form of collaboration.

Impact Council Membership

- 8 volunteers
- 4 funders
- 4 content experts
- 4 public sector partners
- 4 residents
- 8 partner agency reps
- 2 non-partner agency reps
STIMULATING COLLABORATION

• Connect to existing initiatives (e.g. SA2020 and City of San Antonio Human Services Funding)
• Local funders incorporated into Impact Councils

- Bank of America
- Baptist Health Foundation
- Charity Ball
- City of San Antonio
- Federal Reserve Bank of Dallas
- Frost
- H-E-B
- Kronkosky Charitable Foundation
- Methodist Healthcare Ministries
- San Antonio Area Foundation
- Security Service Federal Credit Union
- Social Venture Partners
- Valero
- Workforce Solutions Alamo
NEW INVESTMENT MODEL ATTRIBUTES

• All funded partners will become members of the Impact Council
• Mutual and shared accountability to address problems collectively
• Results-Based Accountability framework allows new levels of data sharing and reporting on a monthly basis (vs. year-end reports)
• Funding opportunities are time limited vs. no limit
• United Way will allow for indirect costs (max 10%) in addition to direct costs
• United Way will invest a maximum of 50% funding for a program
CURRENT STATUS

• Strong volunteer commitment
  • Over 120 hours per volunteer and counting
  • Exemplary Impact Council Chairs: Dawn Dixon, Peggy Walker, Derrick Craver
  • 6 Results (goals), 13 Indicators (measures that help quantify achievement of Results), and 24 Strategies (coherent set of actions designed to achieve Results) selected

• Final amount of FY2020 investment and all future investments will be based on annual United Way Campaign results

• Impact Council funding will be allocated monthly and will now require monthly program reporting and quarterly financial reporting
### Schedule

<table>
<thead>
<tr>
<th></th>
<th>Ready Children</th>
<th>Strong Individuals and Families</th>
<th>Successful Students</th>
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<tbody>
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<td><strong>RFP Release</strong></td>
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<td>Complete</td>
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<td><strong>RFP Due</strong></td>
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<td>November 15, 2018</td>
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<td><strong>Programs Announced</strong></td>
<td>December 2018</td>
<td>April 2019</td>
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- All funding begins July 2019
- Estimated investment of $5 million per Impact Council for FY2020
- Additional $5 million invested in existing safety net programs
• All current partner agencies will be included in the United Way campaign booklet for the 2019 campaign
• United Way will honor all designations, including to those agencies not receiving Impact Council funding
• This decision will be reviewed after the 2019 campaign
Chris Martin
President, United Way of San Antonio and Bexar County
Annual Campaign Declines Continue (CFC)

In Billions $

2008: $3.57, -4.3%
2009: $3.42, -0.2%
2010: $3.41, 0.3%
2011: $3.42, 0.3%
2012: $3.43, -1.8%
2013: $3.37, -1.2%
2014: $3.33, -5.6%
2015: $3.14, -3.9%
2016: $3.02, -7.0%
2017: $2.81

Source: United Way Research
Rate of U.S. Donor Loss Slowed Slightly

In Millions

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<th>Value</th>
<th>Change</th>
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<tr>
<td>2017</td>
<td>6.41</td>
<td>-10.1%</td>
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Source: United Way Research
Workplace Giving is a Declining Portion of Revenue

Source: United Way Research
Top Challenges to Revenue Results

• Economic Conditions – Evolving, Challenging Corporate Environments

• Workplace Disruption – Access, Policy Change, Leadership Change

• Donor Mindset Changes – Cause-Related, Impact Focused

• Competition – Open Campaigns
Revenue Growth Opportunities

• New Markets – Follow Workforce Trends

• Compete – Digital World

• Major Gifts – Large Investors

• Business Value – CSR Alignment, Employee Engagement
• Funds available to invest in agencies will continue to decline if we don’t adapt. Investments have declined approximately 40% over past 3 yrs
• 80% of large United Ways have transitioned to collective impact model
• New model allows United Way to be significantly more impactful in our community
• All current partners will continue to be eligible for designations in the 2019 campaign
• Our community has been broadly involved in this change
QUESTIONS?