

# UNITED WAY FUNDING UPDATE

## Strategic Alignment for Greater Impact

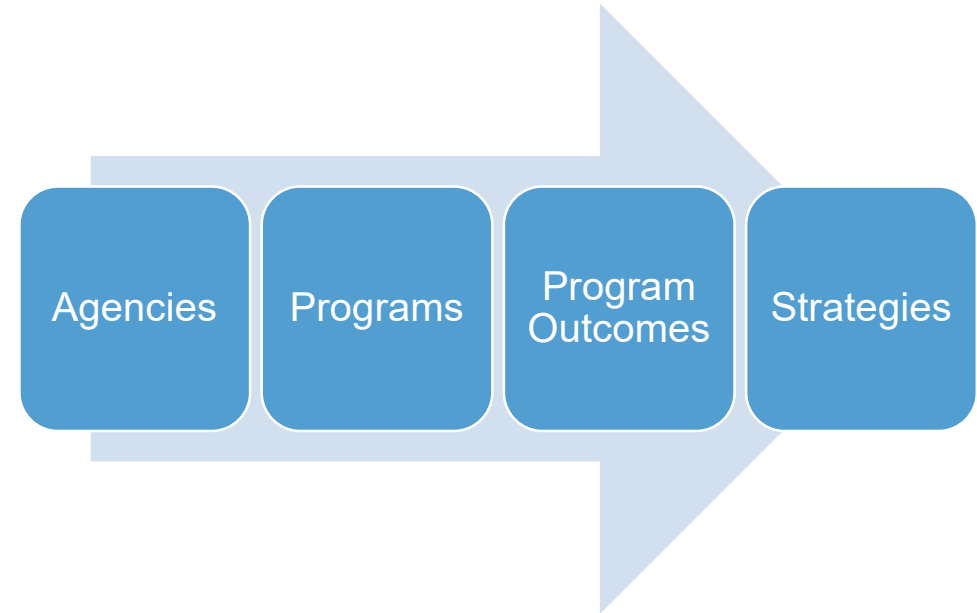
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United Way of San Antonio and Bexar County

November 1, 2018

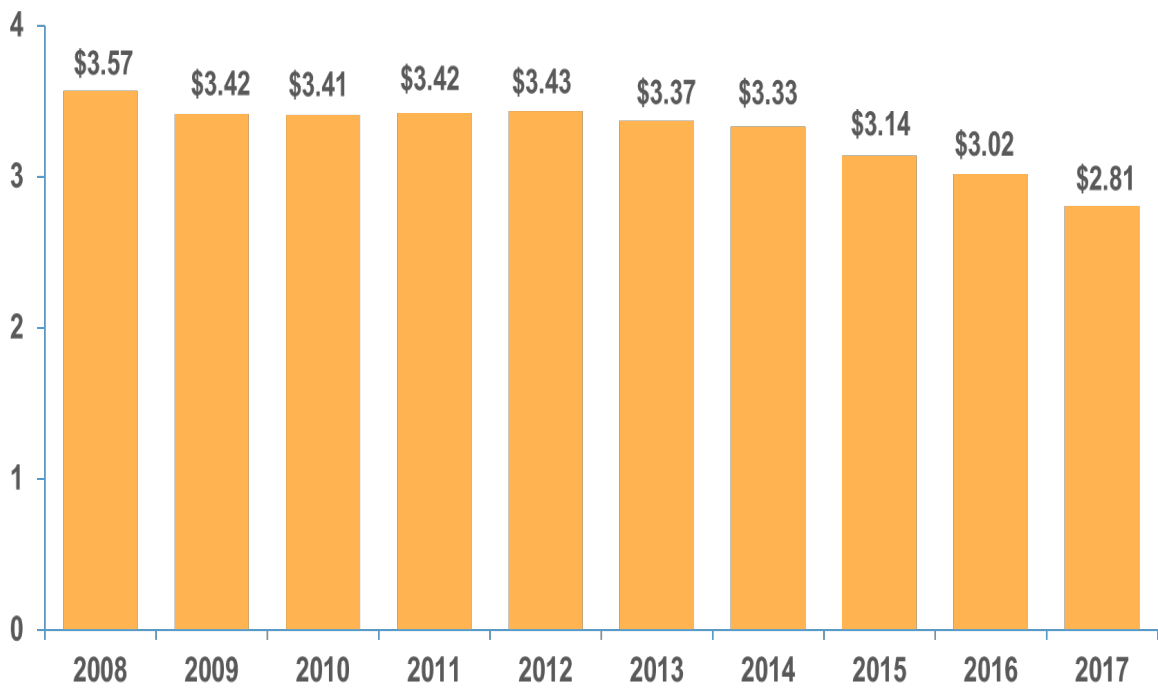
# TODAY'S AGENDA

- Why and how we are changing
  - Ed Rice
- Progress to date
  - Jonathan Gurwitz
- United Way President's Perspective
  - Chris Martin
- Q & A

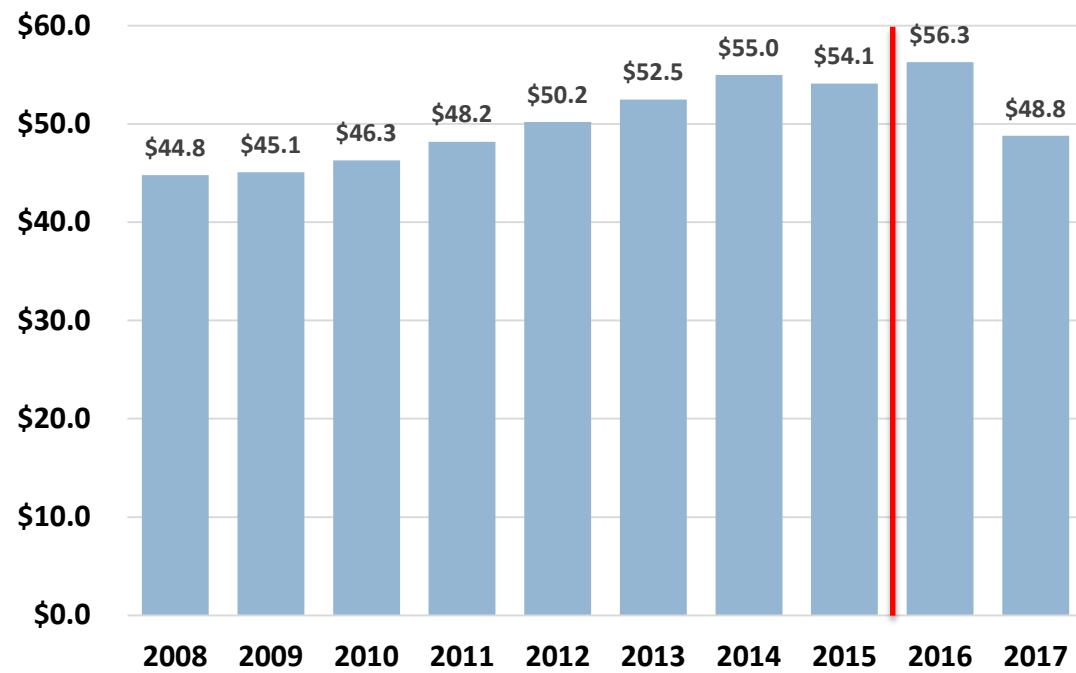


# CAMPAIGN REVENUES

United Way Worldwide in \$Billions



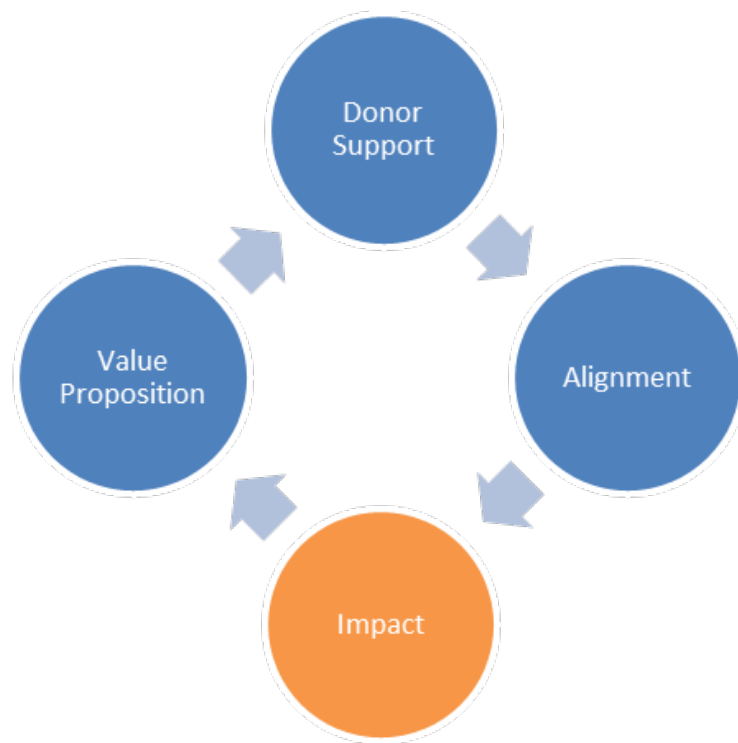
United Way of San Antonio in \$Millions



# 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

# RECOMMENDATION

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

# FUNDING SCHEDULE

## Schedule

	Ready Children	Strong Individuals and Families	Successful Students
RFP Release	Complete	Complete	Complete
RFP Due	Complete	November 15, 2018	November 15, 2018
Programs Announced	December 2018	April 2019	April 2019

- All funding begins July 2019
- Estimated investment of \$5 million per Impact Council for FY2020
- Additional \$5 million invested in existing safety net programs

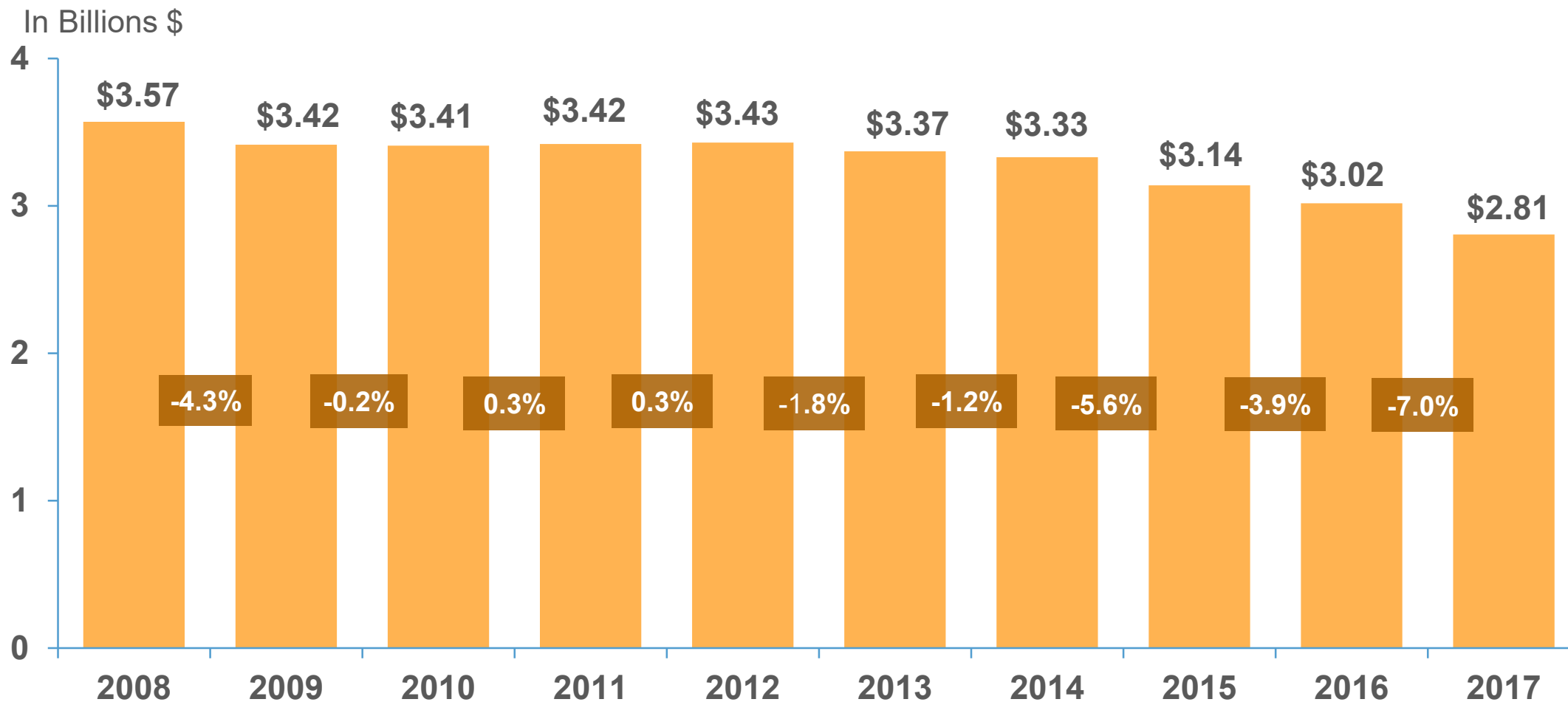
# DESIGNATIONS-ONLY PARTNER AGENCIES

- 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)

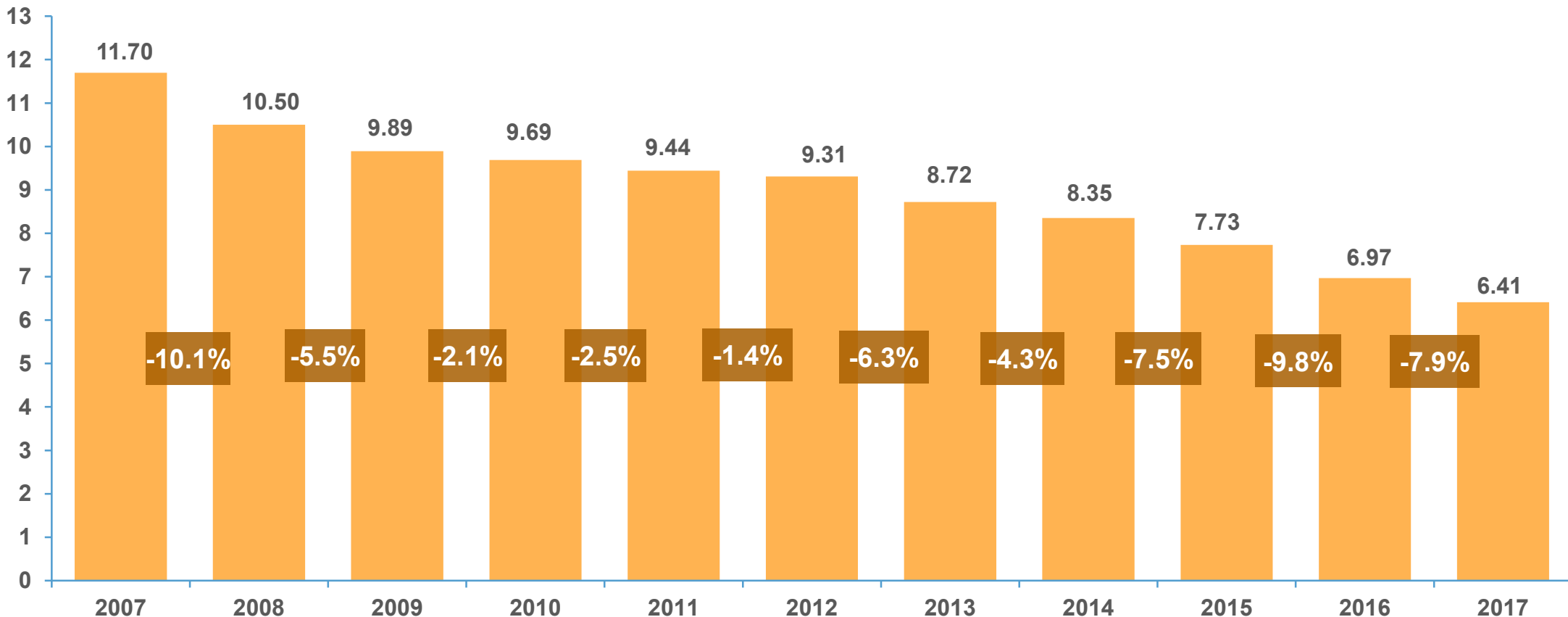


Source: United Way Research



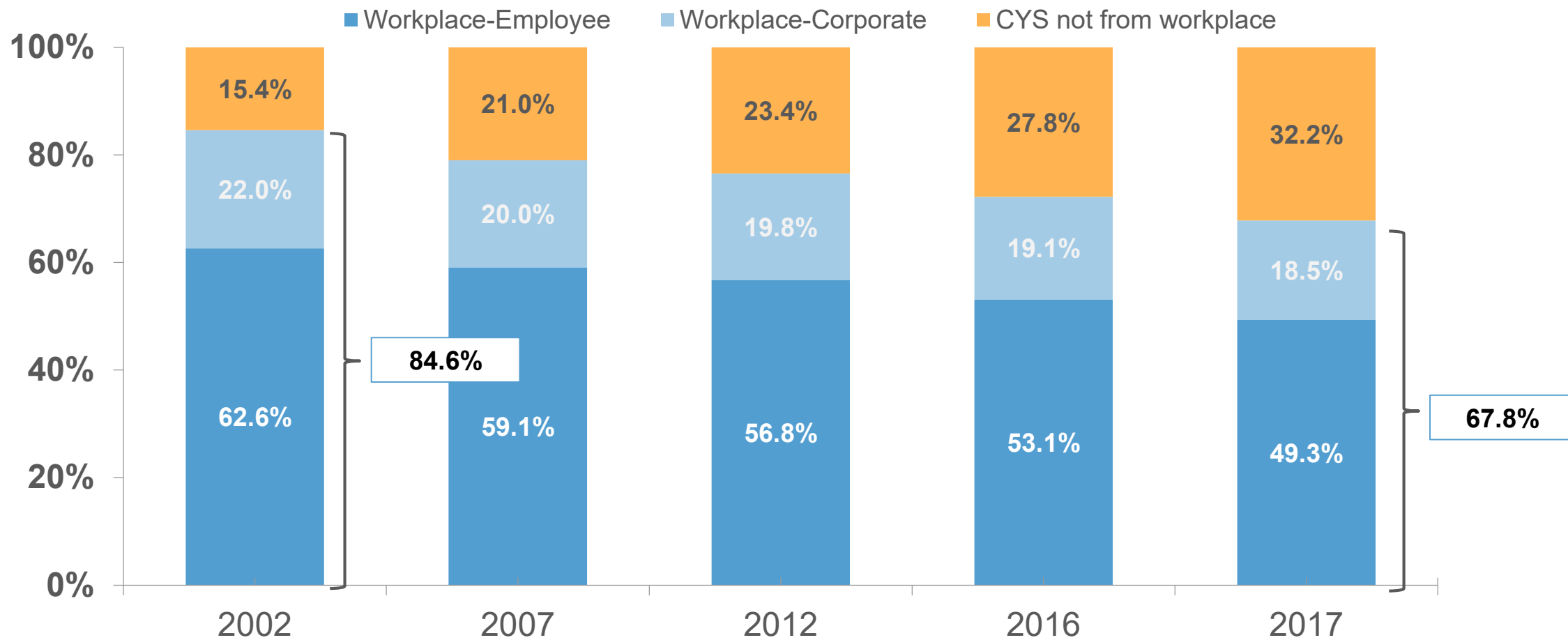
# Rate of U.S. Donor Loss Slowed Slightly

In Millions



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

# KEY TAKEAWAYS

- 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?