

**United Way of Pierce County  
Board of Directors**

**Jamey McCormick, Presiding  
Minutes**

December 11, 2014  
4:00 – 5:30pm

United Way of Pierce County  
1501 Pacific Ave, Ste 400

<del>Elizabeth Bailey</del>	<del>Gerald Denman</del>	Jamey McCormick	Kent Roberts	<del>Debi Young</del>
<del>Silvia Barajas</del>	<del>Amy Eveskeige</del>	Rick Meeder	Brenda Rogers	
Bill Berry	David Graybill	Marilyn Mullenax	Patty Rose	
Tonya Burnett	<del>Tim Holmes</del>	Linda Nguyen	<del>Carla Santorino</del>	
<del>Sebrena Chambers</del>	Rod Koon	Jennifer Nino	<del>Kristen Sawin</del>	
JoAnne Coy	Matt Levi	<del>Dirk Rabdau</del>	Jeffrey Vernor	

**UWPC Staff:** Dona Ponepinto, Pete Grignon, Sean Armentrout, Jay Thomas, Heidi Hansen

**Call to Order/Welcome**

Jamey called the meeting to order at 4pm

**Approve Minutes from October 24, 2014**

**M/S/C**

**President's Report**

- United Ways of Washington will now be known as United Ways of the Pacific Northwest, which includes Oregon and parts of Idaho
- UWT – Board Governance Course – we have participated in the past. A board mentor needed, please let Dona know if you are interested
- Dona has joined the Workforce Investment Board
- Washington Youth and Family Fund – Dona and Linda attended the celebration yesterday in Seattle with the Governor signing a new MOU
- Altruist Partners – still working on the business plan, draft will be ready soon. More at the January meeting. We may want to have small group study sessions in January
- As of this date, Dona has meet with 210 individual
- We received a \$55K Technology Grant from the Cheney Foundation
- 211 - Help Starts Here – will you answer the call has raised over \$16,000 to date, get great online response, still doing more, get lapse donors back
- Helen Myrick has asked Legislators to come for a tour and conversation at our 2-1-1 Helpline facility on December 16<sup>th</sup> from 3pm - 4pm. They will learn how we handle hundreds of callers.
- Employees Community fund of Boeing Puget Sound (ECF) - Dona and Sean met with Boeing, we are down \$150,000. The amount is basic on residents, many have moved out of the area. Boeing wants us to stay involved, Sean has already scheduled meeting for January
- Prairie Line Trail Update – the city is now going to work on purchasing the property, taking that off of our plate.

**Board Thank You Calls**

Sean provided the board members with packets that include names of 5 individuals at Leadership level to call to thank them for supporting UWPC.

## Finance

Jennifer and Pete presented the proposed 2015 Budget. The process is, the Management team prepared and reviewed the proposed budget in October. The Finance Committee reviewed on November 5<sup>th</sup>, recommending to move it forward without any changes. The Executive Committee reviewed it on November 19<sup>th</sup>, recommending to present it to the Board on December 11<sup>th</sup>.

### Focus Areas

- **Strong Start for Kids:** Help ensure all our children are physically, socially, emotionally and cognitively ready to participate and learn in school (0 to 5 years old). Goal - Increase the number of children ready for kindergarten from 60 percent to 90 percent.
- **Early Grade Success:** Help ensure all our children receive the support they need to perform at or above grade level by age 10. Goal - Increase the number of low-income children reading at grade level by the end of the third grade from 67 percent to 90 percent.
- **Strong Families:** Help families provide a stable and nurturing environment for their young children (0-10 years old). Goal – Increase the percent of families with children who are financially stable.
- **Basic Needs and Supportive Services:** We will continue our long standing history of investing resources in programs that support food, clothing and shelter to help the most vulnerable individuals in our community.

### Financial State of UWPC

- **Unrestricted Reserves** – \$300,000 decrease in 2014, less than the \$580,000 forecasted decrease; projected year-end \$1M. Savings is due to organizational realignment – less staff. And, reducing non personnel line items such as printing, advertising and promo supplies
- **Community Campaign Revenues** – flat from 2013-14, but expected to grow in coming years
- **Uncollectible rate on pledges**– Good (3.75%; United Ways our size avg. 7.2%)
- **Impact Dollars** – Looking to grow grants as products are developed
- **Unrestricted Dollars** – will grow with focused effort on CRM strategies
- **Building** – expensive repairs; MultiCare may not renew their lease; reserves still in good shape
- **Endowment** - approaching \$3.5M (received \$236,000 bequest)
- **Donor retention** – Leadership currently 69%; goal is to increase to 80%

### Areas at Risk

#### 2-1-1

- Money for state 2-1-1 system is not in preliminary Washington State budget for the July 2015 biennium (this has happened before and we have had to step up advocacy efforts to get it back in the budget)
- Less money available for 2-1-1 transportation program from DOT. Puts one or two positions at risk depending on funding decision (\$95,000 annually)

### CFC Campaign

- CFC campaign ends in 2015
- Loss of nearly \$1M will cause costs to jump by 2%.
- Since we don't recognize the revenue until the following year (2016) we will have until the end of 2017 to make up the loss.

### Unrestricted Cash Reserve

2014 year-end projection                      \$1,000,000, we had projected year-end \$720,000

Minimum reserve target	<u>\$722,000</u>
Amount over minimum	\$278,000

2015 operating budget projection will have a goal to breakeven.

Management to ask for \$100,000 for flexible impact from reserves for 2015, down from original request of \$262,500; (\$25,000 to come from repurposing to unrestricted of ACES board set aside grant match which did not occur in 2013).

### Revenue Forecast

We have a \$1M stretch goal, but we just received announcement of \$150,000 reduction in funding from Boeing so we are starting out in the hole.

- Forecasting 3.8% growth of \$189,000 in 2014-15 community campaign.
- Grants to increase of \$130,500; 23% growth
- Decreases of \$251,305 in program income; (\$100,000) which is in-kind donations; remainder is 2-1-1 one-time grants and reduction in contract income and sponsorships

### Resources

Decrease of (\$952)

- Net campaign resources and grants \$285,353
- Program/Event Support:
 

Event Income	(15,000)	
Program/Contracts	(131,305)	
CE Sponsorship	(5,000)	
GIK (non-cash)	<u>(100,000)</u>	(251,305)
Miscellaneous Support	<u>(35,000)</u>	
Total Resources		(\$952)

### Community Investments

Decrease of (\$279,627)

- Majority of the decrease is coming from UWPC programs (\$113,594)
- GIK – smaller space when daycare moves in (100,000)
- Various other line items (66,033)
- Total Community Investments (\$279,927)

### Supporting Services

Decrease of (\$276,562)

- Majority of the decrease is coming from UWPC Admin, Resource Development and Marketing (\$222,562)
- Equipment/Software – Cheney Grant 2014 not in 2015 (55,000)
- Other 1,000
- Total Supporting Services (\$276,562)

### Personnel Line Items – Salaries and Benefits

Decrease of (\$260,000)

- Reduction in staffing from 37FTE to 30FTE which has taken place mainly through staff attrition
- 2-1-1 Health Benefit Exchange grant ends for two of those employees in 2014
- Includes salary step increases and projected 10% increase in medical premiums
- It may be time for us to consider having staff pay for part of the health insurance premium

## Non Personnel Highlights

Decrease of (\$76,000)

- Reduction in most line items
- Major reductions in advertising, promo supplies and printing
- Increases in training and travel related training; this area was rated one of the lowest in our last organizational self-assessment. Management realizes the importance of training and wants staff to have the skills to execute on mission

## Items for Consideration

- Repurpose \$25,000 set aside ACES match grant (grant did not materialize) to Flexible Impact
- Set aside \$75,000 of unrestricted reserves for future Flexible Impact investments
- Boys and Girls Clubs Hope Center Payment – 2015 and 2016:
  - Balance of grant \$204,581 (\$102,500 for 2015; balance 2016)
  - Projected year-end 2015 building cash reserve \$50,000 which is 2 months of operations
- In 2016 we could pay \$50,000 from building reserves and borrow \$52,500 from UWPC reserves to be paid back in the future **OR** We could pay less per our agreement with the Boys and Girls Clubs in each year. this does not need voted on today, we need to be aware of this for next year's budget. The Finance Committee recommends paying it off in 2016 if at all possible, the majority of the Board agrees.
- Reduce Combined Federal Campaign by \$100,000 from \$920,000 to \$820,000
  - Layoffs at JBLM – CFC giving as a whole is also down across the nation for a second year. We were not provided a CFC Loaned Executive from the Post Office this year, so the Post Office will be down by a considerable amount
  - This change will not have an affect on UWPC operations as CFC is a 100% designated campaign

## Motions:

- Repurpose \$25,000 set aside ACES match grant to Flexible Impact. **M/S/C**
- Set aside \$75,000 of unrestricted reserves for future Flexible Impact investments. **M/S/C**
- Approve the 2015 Budget as amended. **M/S/C**

## Funded Agency Audit/Review Requirement

Current policy calls for funded agencies to submit an annual audit or review. In the last investment cycle there were 9 agencies that we funded for \$10,000 or less annually.

Our Finance Committee reviewed the audit/review requirement and felt that there should be greater flexibility in gaining assurance from agencies that would be less costly.

The Finance Committee proposed the following change to the existing policy:

**“UWPC may require an audit or a review, but can use other alternative means to assure that an agency is sound and spending UWPC grant money appropriately. “**

After discussion a motion was made to approve the change. **M/S/C**

## Parking Lot

Pete explained that Mark Hollander, Courtyard Marriott, is very interested in purchasing our parking lot to build more hotels. One concern is we need 100 parking spaces, this is a major issue. Mark proposed a Letter of Intent, which is word too strong. The Board does not feel this is the right move at this time. Pete will go back to Mark with our concerns.

## Governance Committee

The Governance and Executive Committees are recommending the appointment of two new Board Members. Linda will be joining us after the meeting, unfortunately Rich is out of town.

- Richard Rocks – Senior Manager, Subsidiary Technology, Boeing Research and Technology
- Linda Proett – Director, Provider Relations, Cambia Health Solutions/Regence

After discussion, a motion was made to appoint both to the Board. **M/S/C**

## Campaign Update

Sean gave a brief update.

### Campaign Goals: Entire Campaign Perspective

	2013 Final	2014 Goal	Actual	Outstanding Projection	Gap (Act+Proj)-Goal
Workplace	\$4,339,367	\$4,629,000	\$1,149,962	\$3,251,345	(\$227,693)
ADT*	\$704,046	\$925,000	\$517,930	\$407,070	\$0
United Way Life**	\$0	\$250,000	\$0	\$250,000	\$0
Direct Giving/ End Yr	\$105,509	\$150,000	\$44,700	\$105,300	\$0
Sub Total:	\$5,022,922	\$5,828,000	\$1,691,162	\$3,818,849	(\$227,693)
Grants	\$391,169	\$640,000	\$500,000	\$140,000	\$0
UWPC Total:	\$5,414,091	\$6,468,000	\$2,191,162	\$3,958,849	(\$227,693)

\* 2014 Goal subtotal has backed out \$126,000 for ADT Workplace so not duplicative

\*\* Total Closed but Unaudited \$818,090 (Part of outstanding projection)

\*\*\* Campaigns running but not closed \$884,975 (Part of outstanding projection)

### End Year Benchmarks Toward Goal

	Benchmark by 12/31/2014	Actual	Gap
Workplace (Corp, SE & Donors <\$1,000)	\$2,015,000	\$ 994,554	(1,020,446)
Leadership Donors (<\$10,000)*	\$665,000	\$ 166,276	(498,724)
ADT	\$675,000	\$ 517,930	(157,070)
Direct Giving/ End Yr (Donors<\$10,000)*	\$90,000	\$ 44,700	(45,300)
Total:*	\$3,445,000	\$ 1,691,162	\$ (1,721,540)

\*Direct Leadership is duplicated in both Leadership & Direct Giving and therefore backed out of the Total Actual Line

\*\*Closing the Gap: Campaigns closed but unaudited \$818,090 and another \$884,975 projected for campaigns currently running through December. **Total - \$1.7 million**

\*\*ADT: Additional \$30,000 in but not audited. Jaime Will and Corry McFarland steering ADT Committee calls for end year push.

## Announcements

- Start of the new year we will go to every other month (2 hours), calendar notice have gone out for all of the meetings next year
- 1:1 meetings with Dona are being scheduled with all Board members
- January's meeting will be held at an agency (maybe Catholic Community Services).
- Dona announced Jay Thomas will be taking a new position at Associated Ministries.

Jamey adjourned the meeting at 5:30pm and invited all to join the Holiday reception in the lobby.