

## United Way of Santa Barbara County Annual Campaign Gift Designation Policy

1. A donor may designate (“restrict”) their gift to one or more of the following areas:
  - United Way of Santa Barbara County – where the need is greatest
  - A United Way Impact Area:
    - Education
    - Crisis Response & Recovery
    - Financial Empowerment
  - A specific United Way Geographic Service Area
  - A specific Nonprofit Organization (must be an IRS recognized 501(c)(3) charitable organization)
2. In order to avoid paying out designated dollars that are never received, we ask donors to complete a new pledge form each year. The average workplace turnover rate in Santa Barbara County is in the 15-25% range. Because of this, we try to ensure that designated monies being sent to 501(c)(3) organizations are actually collected. Gifts not designated are used to support United Way programs and initiatives where the need is greatest.
3. A minimum \$115 per designated organization per year is required for a donor to designate his/her gift. In order to keep costs as low as possible for our donors, a pledge of \$115 or less will be treated as a gift to United Way of Santa Barbara County to benefit the entire local community.
4. All employees and other individuals are eligible to designate their individual gifts.
5. According to standards established by hundreds of national and regional employers, pledge processors, and United Way Worldwide, a processing fee equal to 13.3% of the designated gift amount will be applied up to a maximum of \$250 per donor per year for all outside designations (designations made to specific nonprofit organizations other than United Way). This fee complies with all United Way nationwide standards.
6. Designated gifts can only be paid out if contributions are received. Because of normal employee turnover, most organizations’ employee total pledges are not paid in full. As a result, United Way of Santa Barbara County must apply an uncollectible rate to balance all the payments received from all employers for a specific designated nonprofit organizations. Each employer’s actual rate of collections is used when sending the funds to the designated nonprofit organization. United Way will send 100% of the actual funds received, less the standard processing fee, to the designated nonprofit organization.
7. Payouts to designated organizations are made annually, bi-annually, or quarterly on an “as received” basis from the donor’s employer. To avoid processing payments that may actually cost more to process than the payment itself, we have a set total minimum payment of \$100 per restricted charity per quarter prior to the final quarterly payments. Any quarter that the total donations accumulated to date on a restricted charity’s behalf exceeds \$100, a check will be generated. Your final payment will include all remaining dollars that have been accumulated regardless of the total.
8. All designated gifts are paid directly to the nonprofit organization, separately and regardless of the organization’s funding from this or any other funding source or United Way organization.