

Frequently Asked

Questions



United Way
Kingston, Frontenac
Lennox and Addington

www.unitedwaykfla.ca

Tips for Responding to Questions

Listen and empathize

Make sure the person feels you are hearing their concerns. Show that you understand the objection, but don't agree with them. Instead, say: "I understand why you feel that way. Have you considered...?"

Encourage questions and discussion

Let people express themselves. Welcome their questions. It gives you an opportunity to address their concerns and correct any misconceptions they might have about United Way.

Relax and be yourself

You have an important idea to present. Making the information your own will help you relax. You should never feel like you have to argue or match wits with anyone. Your job is simply to convey to people that United Way is an effective way to create opportunities for a better life for everyone.

Don't worry if you don't know the answer

You're not expected to know everything about United Way. If you don't know the answer to a question, tell people you will find the answer and get back to them. Contact United Way for any information you might need.

Frequently Asked Questions

Why is it beneficial to give to United Way KFLA?

A gift to the United Way maximizes the impact of your donation locally. Through United Way you help thousands of people in your community. Giving through United Way ensures accountability. A panel of informed community volunteers, who are aware of local needs, distribute the donations where they are needed most and monitor member agencies to ensure accountability to you. Your one gift to the United Way will address social service needs in KFL&A.

How much does United Way spend on fundraising and administration costs?

United Way keeps fundraising costs to a minimum thanks to community partnerships and thousands of volunteers. Our audited financial statements show our fundraising costs to be 10% and 3% related administrative expenses. Imagine Canada puts the average cost of fundraising and administration at 35%.

If United Way raises funds for so many agencies, why do I still receive requests for money?

There are many organizations in our community that are not funded by United Way. The United Way does not provide 100% funding for any one program or to any one agency and encourages a diversity of revenue sources. This is to ensure sustainability and viability of all United Way funded programs or services.

I live outside of Kingston. Where will my donation go?

You can designate your donation to any specific United Way in your community or a specific charity (member or non-member agency) by indicating your choice on your pledge card.

My spouse gives at work. Should I give?

United Way volunteers suggest that we all make a contribution based on our individual income level. Through payroll deduction, one smaller gift, added to another, equals a painless way to give a larger gift. You and your partner can combine your gifts for favorable tax-write offs and recognition.

Frequently Asked

Questions

Does the government provide money to help your agencies?

United Way itself does not receive government funding. Many government departments fund or purchase services from United Way agencies. United Way is often one of the only stable sources of funding for some agencies.

My family and I don't use agency programs, so how do I benefit by giving to United Way?

United Way provides funding to agencies so that essential programs and services will be available in the event that you do need to access them. Your gift ensures that you and those you care about will have support when it is needed. Your gift to the United Way helps the vulnerable in your community.

Whether it helps your neighbour cope with a hearing or vision loss or supports children at risk, we all benefit from a healthy and supportive community.

I don't like Agency X. I don't want my money to go to them, so why should I give to the United Way?

There are many agencies that the United Way funds that provide essential services to 58,000 local residents in your community. You can designate to an agency or an impact area of your choice.

When will the agency I have designated to receive my donation?

United Way spends a lot of time ensuring designations are paid as per donor choice. If you give cash, cheque or credit card, your donation will be sent to the agency in the spring of the year immediately following the campaign along with all other donations directed to that agency. If you give through payroll deduction, your donation will be sent to the agency a full year after the campaign once all payroll deductions have been collected, remitted, and consolidated to United Way. I.e. If you donate in the 2016 campaign through payroll deductions, your pledge is deducted from your pay in 2017 and the funds will be sent to the agency in the spring of 2018.

Frequently Asked Questions

When will I get a tax receipt for my donation?

If you give through payroll deduction, your contribution will be on your T4 at the end of the next calendar year.

If you give by cash, cheque or credit card, your tax receipt will be mailed to your home address by February 28 of the following year.

Please ensure you complete the home address section of the pledge form if donating by cheque, cash or credit card as Canada Revenue Agency requires that tax receipts be sent to home addresses.

What is Next Gen?

Next Gen offers young employees in KFL&A ways to become further engaged in their community through a number of activities. It is a unique opportunity for the next generation to bring about change in areas that are meaningful to them. For more information on Next Gen, please call the United Way KFLA office at 613-542-2674 or email campaign@unitedwaykfla.ca.

What if an employee is close to retirement?

Retirees may pay off the balance in a single payment and then continue their annual support as a retiree. If they provide their home address on their pledge form and check the box indicating that they are retiring, they will receive a pledge form to their residence in future years so that they can continue your support. Retirees can also continue to pledge in monthly installments through credit card or preauthorized payment. Some workplaces allow pension deductions as well.

How much should I give?

Every decision is personal. United Way impact statements show what different levels of donation can do. Find out what the average gift was in your workplace and match or surpass that. Consider a donation at the Friend of the Way (\$500-1,199 a year) or Leader of the Way (\$1,200+) levels and maximize tax benefits.

Frequently Asked Questions

How are compensation levels for staff and the CEO set?

The Board of Directors periodically benchmarks the CEO's salary with United Ways of similar size and with similar Canadian not-for-profit organizations. United Way regularly reviews the compensation levels of their staff to ensure they are within reasonable rates for the level of skill, knowledge and experience required for their position.

All charities are required to file a T3010 registered charity disclosure which includes the salary ranges of the ten highest paid employees. This is available at www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html

Effective, Efficient and Accountable

- We actively solicit in-kind donations, sponsorships, pro-bono services and the support of volunteers to keep expenses as low as possible. This ensures that as much as possible of every dollar goes directly to the community.
- Every year, thousands of volunteers come together to raise funds for services that benefit their family, friends and neighbours.

Annual Registered Charity Disclosure Staff and CEO Salaries

- Our latest Canada Revenue Agency annual T3010 registered charity disclosure is available at: www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html
- The Compensation Committee periodically benchmarks CEO salaries of not for profit organizations within the region. We regularly review the compensation levels of our staff to ensure they are within reasonable rates for the level of skill, knowledge and experience required for the role.
- Compensation levels of the 10 highest paid staff for all charities are available at the CRA website, under Charities Listings. For a quick view of our compensation levels please visit: <http://bitly.com/CRA-quickview>

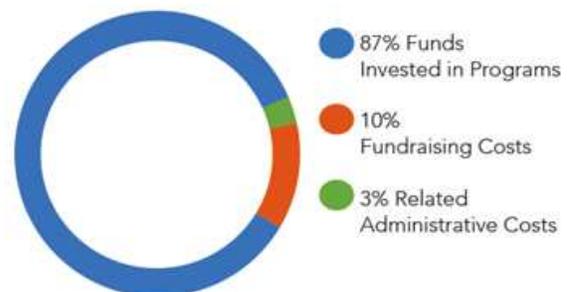
For the Year Ending 2017

Total revenue, including annual campaign = **\$4,852,058**

Fundraising costs = **\$477,548**

Related Administrative Costs = **\$141,777**

COMMUNITY INVESTMENT



* Our fundraising and administration costs are among the lowest in the charity sector. Canada Revenue Agency's benchmark for fundraising and administrative cost ratio is under 35%.

United Way Staff & CEO Salaries

EMAILS AND LETTERS CLAIMING CHARITY CEOS OVERPAID ISSUE

We continue to receive emails and letters from local residents and donors expressing concern about United Way based on information they perceive as factual about the salaries and benefits of CEOs at top charities in the world – UNICEF, United Way, World Vision, Red Cross and the Salvation Army. This standby statement will provide information for front line staff to use in dealing with their donors if they are confronted with this misinformation.

The messages provided below are for use in conversation with United Way and GCWCC donors and others. This document is not for external distribution.

BACKGROUND

Emails have been in circulation since 2005, presenting salary and compensation information for top charity CEOs and drawing conclusions about administration costs. They resurface during our campaign, and are also circulated widely following natural disasters when there is a request for aid or funding.

KEY MESSAGES

So-called facts are misleading

Versions of this email have been around since 2005. Clarification is available on two “myth-busting” websites, Snopes and Urban Legends. Charity Navigator, an independent charity evaluator that works to advance a more efficient and responsive philanthropic marketplace by evaluating the financial health of over 5,500 of America’s largest charities, states that executive compensation should be looked at as a percent- age of total annual expenses. It is also worth noting that because the Salvation Army has charitable status as a religion, it does not report executive salaries and compensation in the same way as other charities do.

United Way Staff & CEO Salaries

With regards to the statement about the salary of Brian Gallagher, president and CEO, United Way Worldwide

Mr. Gallagher is CEO of United Way Worldwide, which is a global organization leading 1,800 locally- constituted United Ways in 45 countries and territories around the world. It is supported financially through corporate sponsorship and through fees paid by each of the hundreds of local United Ways in the U.S. and world- wide. These fees represent a very small fraction of total fundraising in each of the United Ways under United Way Worldwide.

United Way KFLA is a community-based organization, overseen by a local volunteer Board of Directors responsible for strong governance.

United Way KFLA does not pay fees to United Way Worldwide, but to United Way Canada, at a rate of 0.08% of total fundraising. While we don't give out salary information for personal privacy reasons, salary ranges are available. The work of United Way is supported by literally thousands of local volunteers and managed by CEO and staff in Kingston and area.

Our fundraising fee

United Way KFLA's campaign fundraising and administrative costs are around 13% of total campaign revenue. This cost is strongly competitive when compared to the national average for charities of 35%.

This covers the cost of gift solicitation, advertising and promotion, donor recognition, processing, charitable tax receipting, accounting, reporting and auditing.

We are able to keep fundraising costs very low, thanks to the support of many sponsors and contributors who provide gifts and services in kind and who lend us their staff through our Sponsored Employee program.

United Way KFLA Workplace Volunteer Awards Criteria

PARTICIPATION AWARDS

- Platinum** Employee campaigns with a minimum 90% participation and \$100 per capita
- Gold** Employee campaigns with a minimum 75% participation and \$75 per capita
- Silver** Employee campaigns with a minimum 65% participation and \$65 per capita
- Bronze** Employee campaigns with a minimum 50% participation and \$50 per capita

ACHIEVEMENT AWARDS

- Keystone** Workplaces that raise \$250,000 or more
- Limestone** Workplaces that raise \$100,000 to \$249,999
- Sandstone** Workplaces that raise \$50,000 to \$99,999
- Cornerstone** Workplaces that raise \$25,000 to \$49,999

BRITTON SMITH FOUNDATION LEADERSHIP AWARDS

Leaders of the Way (gifts of \$1,200+) represent 40% of the campaign achievement. These awards recognize workplaces that make Leadership party of their campaign.

- Ruby** Workplaces with more than 40 Leaders
- Emerald** Workplaces with 25 to 39 Leaders
- Diamond** Workplaces with 10 to 24 Leaders
- Sapphire** Workplaces with 5 to 9 Leaders

SPECIAL AWARDS

Community Builder First time employee campaigns

Media We are grateful to our media sponsors who helped to keep the campaign alive in the hearts and minds of the residents of KFL&A

Spirit of Community Organizations and events that went above and beyond to reach out to the broader community or raise significant funds for the campaign

LABOUR RECOGNITION

Labour Unions that increased both their support and participation in workplace campaigns

Canada Revenue Guidelines for Receipting

General Rule:

Donations that are receiptable are considered gifts. A gift is a voluntary transfer of property without valuable consideration. A gift must meet the following three conditions:

1. Some property, usually cash, is transferred by a donor to a registered charity;
2. The transfer is voluntary; and
3. The transfer is made without expectation of return. No benefit of any kind may be provided to the donor, except where the benefit is of normal value.

Donations that are RECEIPTABLE:

1. Direct cash, credit card and cheque donation - a receipt is prepared by the United Way.
2. Payroll deductions - generally receipted on employee's T4 slip by employer.

Donations that are PARTIALLY RECEIPTABLE:

1. When an admission cost to a meal or entertainment event includes a "donation" component, that amount is receiptable.
2. Where a charity offers an item, privilege or other benefit in return for a donation, the benefit is considered to have a nominal value where its fair market value does not exceed the lesser of: \$50, or 10% of the amount of the gift. For example, if the charity sells tickets to a golf tournament for \$250 and a tax receiptable portion of the ticket is \$150, then the most expensive prize the charity can offer any player will be worth \$15.

Canada Revenue Guidelines for Receipting

Donations which are NOT RECEIPTABLE:

Under the following circumstances, contributions are not considered a gift and as such, a receipt cannot be issued:

1. Payment of a basic fee for admission to an event/program.
2. Payment for a lottery ticket or other chance to win a prize. The donor cannot receive any material incentive to give. If any form of material incentive is offered, the gift is not receiptable. The exception is if draw tickets can be purchased without any requirement that ticket purchasers also make a donation to the fundraising campaign. In this case, a receipt may be issued for the donation to the campaign, not for the purchase of the ticket.
3. Contributions of services - Contribution of services are not receiptable; however there is nothing to prohibit a charity from paying for the services and later accepting the return of all or a portion of the payment as a gift, provided it is voluntary. In this case, a receipt may be issued for the gift.
4. The purchase of good/services from a charity. i.e. United Way cannot provide a receipt for the purchase of campaign t-shirts or sweatshirts.
5. Donation of inventory - the rationale is that the business already has a tax-deductible expense from the cost of manufacturing or purchasing the merchandise. Donations out of inventory would include computers from a computer store, bread from a bakery, food from a grocery store, etc.
6. Donation when the donor has directed the donation to an agency or specific program from which either the donor, or a person within arms' length of the donor, receives a benefit or advantage.

Lottery License

Process

As your organization begins planning for its upcoming United Way fundraising campaign, it is important to be mindful of legalities. If you're planning a raffle, your organization is required by law to obtain a lottery licence. Alcohol and Gaming Commission of Ontario (AGCO) has a special process for workplaces running a United Way Campaign.

When do you need a license?

Any event that involves gaming, such as *50/50 draws, raffles, casino nights, or bingos*, will need a license from the province. The application form must be filled out in the name of your workplace and have a letter attached with the authorization signatures from United Way. The application will require written approval from the municipality. The application is then sent to your provincial licensing bureau with the required application fee. For more information in your region, consult the United Way.

***Please note that it can take up to six weeks to receive your license. Therefore, if you anticipate needing a license, please contact your provincial licensing bureau as soon as possible ***

What constitutes a game of chance?

- A prize (donated or purchased)
- A chance to win
- A fee for a chance to win

Event proceeds

It is required that all proceeds of the event be recorded money be deposited separately from other donations or other event proceeds, as required by the gaming authority. A report must be filed with the AGCO within 30 days of the event.

Lottery License Process

To apply for a lottery licence, follow these steps:

1. Download the form from http://www.agco.on.ca/forms/bi/6004_g.pdf or pick up a copy from the Licensing Department of your municipality. An application must be completed and signed by two members of the organization (not the United Way) that have signing authority and sent directly to the Alcohol and Gaming Commission of Ontario (AGCO).
2. The application must include an agreement letter from the United Way acknowledging the approval of the raffle and that all monies will be directed to the United Way.
3. A "Letter of Support" must be obtained from the Licensing Department that approves the conduct of the lottery in the municipality. Reach out to your municipality for more details.
4. A fee of 3% of the total prize value is charged for the licence and a cheque must be included with the application made payable to the "Minister of Finance".
5. A copy of the ticket to be used for the raffle must be submitted with the application.
6. The AGCO will issue the licence directly to your organization and the licence must be posted at the raffle draw.
7. Once the lottery is completed, a report must be filed with the AGCO within 30 days of the event. Please send a copy to the United Way at the same time. http://www.agco.on.ca/forms/bi/6347_g.pdf

Questions? Contact:

United Way Gaming Registration Officer
Alcohol and Gaming Commission of Ontario
90 Sheppard Avenue E., Suite 200
Toronto, ON M2N 0A4 416-212-1856



Guidelines/Requirements

(As per AGCO)

1. (a) A duly completed application form for the relevant type of lottery; for application forms and type visit www.agco.on.ca
1. (b) Only one lottery license application will be approved to be held within the same draw(s) date. Two concurrent raffle licenses will not be approved. I.e.: You may apply for a 50/50 type raffle or a regular Stub draw event to be held at different days providing you have submitted the financial lottery report within 30 days of the draw date approved on the license previously issued.
1. (c) If beer type tickets are used for the draws a sample ticket must accompany application along with the breakdown of the ticket numbers that will be used.
2. All applications must be approved by the applicant ministry/agency's United Way Campaign Chair and must be complete and duly signed by two executive officers.
3. Applications require a letter of recommendation from the municipality in which the applicant is based; in municipality, you must send the application form to: City Clerk's Office, Lottery Department, with a letter asking for their approval for this lottery application and in turn submit that letter with the application to the AGCO.
4. A letter of agreement between the applicant and United Way with a clause stating that the organization will only carry out the lottery during the published dates of the United Way campaign in the workplace of the sponsoring organization, and donate the total net proceeds to United Way Campaign. Letter should also include the effective date of the instrument and must be signed by CEO of United Way.
5. The application must also contain a sample of relevant tickets to be used at the lottery events

Guidelines/Requirements

(As per AGCO)

6. Must enclose a cheque, for the relevant license fee (3% of the total prize board which must include all taxes. Total Prize board must be a minimum of 20% of the value of tickets printed and is calculated on the higher ticket value not the discounted portion), and made out to "The Minister of Finance" - personal cheques are not acceptable. Use company cheque or money order.
7. If the prize-board on the lottery event is \$10,000 or more, an irrevocable letter of credit is required.
8. The lottery event must only be conducted and managed within the workplace.
9. Participation in the lottery event is restricted to the employers and employees of the licensee only, and tickets may only be sold to the individuals working within that office.
10. All lottery events licenses for the United Way Campaign will be issued only by the AGCO. Please note that concurrent licenses will not be allowed. One license must end before a 2nd license may be issued.





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