

United Way Myth-Busters

You Asked. We Busted.



Myth #1: United Way of Southwest Minnesota supports PETA.

Incorrect.

FACT: *The United Way of Southwest Minnesota invests in five key priority areas: health, education, financial stability, hunger and safety & well-being. All funded program(s) must impact local people living within the UWSWMN service area. We are an independently incorporated 501(c)(3) organization that is governed by our own local board of directors with all resources under local control and decision making. We have no prior/current relationship with PETA and provide no financial support of their work.*

Myth #2: United Way of Southwest Minnesota funds Planned Parenthood.

Wrong.

FACT: *The United Way of Southwest Minnesota invests in five key priority areas: health, education, financial stability, hunger and safety & well-being. All funded program(s) must impact local people living within the UWSWMN service area. We are an independently incorporated 501(c)(3) organization that is governed by our own local board of directors with all resources under local control and decision making. We have no prior/current relationship with Planned Parenthood and provide no financial support of their work.*

Myth #3: The United Way of Southwest Minnesota financially supports/endorsees political candidates.

Incorrect.

FACT: *The United Way of Southwest Minnesota does not engage in political campaign activity. IRS regulations mandate that charitable nonprofits will lose their tax exempt status if doing so. This is defined as political campaign activity that "supports or opposes a candidate for public office" and is separate from lobbying for legislative activities, which charitable nonprofits ARE permitted to engage in with limitations.*

United Way of Southwest Minnesota does engage in advocacy work with local, state and national political representatives regardless of political party; talking about the issues facing southwest Minnesota constituents.



Myth #4: All of the money raised here gets sent to United Way Worldwide and doesn't stay local.

Incorrect.

FACT: *United Way Worldwide (UWW) is the support organization for the nearly 1,800 local United Ways around the globe. UWW's work is supported by the 1% membership fee paid by local United Ways such as the United Way of Southwest Minnesota. The membership fee we pay to UWW is recouped by our local communities many times over in training, services and access to national corporate and employee giving campaigns.*

Myth #5: United Way of Southwest Minnesota has extremely high overhead and hardly any of the funds raised actually go to the people and programs that actually need it.

Wrong.

FACT: *The percent of charity expenses that go to administrative and fundraising costs—commonly referred to as “overhead”—is a poor measure of a charity's performance. We recommend that you pay attention to a broader set of factors about nonprofit performance: transparency, governance, leadership, and results, as well as finances.*

United Way of Southwest Minnesota takes pride in the fact that 84 cents of every dollar donated is invested in local people and programming. Data taken from our 2015-16 audit shows our overhead ratio, computed using the net method at 16%. Of that percentage, 10.36% is local fundraising expenses and 5.64% is local administrative expenses.



*In 2013, GuideStar, BBB Wise Giving Alliance, and Charity Navigator wrote an open letter to the donors of America in a campaign to end the **Overhead Myth**—the false conception that financial ratios are the sole indicator of nonprofit performance. You can learn more here: <http://overheadmyth.com/>.*

Over the last 15 years, United Way of Southwest Minnesota has re-invested more than \$5.9 million locally to benefit the lives of our friends and neighbors. We are one of a handful of southwest Minnesota non-profits to have earned the Charities Review Councils 'Meet Standards Seal' for performance in Public Disclosure, Governance, Financial Activity and Fundraising Practices. Read more at: www.SmartGivers.org.

Myth #6: United Way of Southwest Minnesota doesn't tell you where funds are invested.

Incorrect.



United Way of Southwest Minnesota has been certified in accountability and awarded the Charities Review Council “Meets Standards” Seal. The Certification and Seal indicate that we meet all twenty-five of the Council's Accountability Standards. The Accountability Wizard addresses a nonprofit organization's performance in four critical areas: Public Disclosure, Governance, Financial Activity and Fundraising Practices. By participating in the Accountability Wizard, nonprofit organizations demonstrate responsibility, integrity and transparency to constituents.

We are also listed as a certified organization on the online Giving Guide of the Council's Smart Givers Network, www.smartgivers.org and in the Council's Smart Giver newsletter distributed to households, businesses and nonprofits. The Council's Smart Givers Network is the one source of unbiased information where smart givers go for resources on informed giving. The general public can use this website to investigate an organization's mission and programs and verify that the organization meets widely accepted standards.

You may also review our organizations most recent audit, annual report and 990 on our website at www.UnitedWaySWMN.org. These documents detail program investments. You can also email us at unitedway@unitedwayswmn.org to request a copy.

Myth #7: Donations to United Way of Southwest Minnesota support church-related activities.

Wrong.

FACT: *United Way of Southwest Minnesota community partner programs offer a wide range of services including some that might be affiliated with a local church or churches. These programs are supported because they meet a critical community need. United Way of Southwest Minnesota funds only health and human service programs, not religious activities.*

Myth #8: United Way of Southwest Minnesota only supports programs for the poor.

Incorrect.

FACT: *United Way fights for the health, education and financial stability of **every person** in **every community**. In southwest Minnesota, we focus on health, education, financial stability, hunger and safety & well-being. **More than 50,000 local people** will be served in 2017-18 through United Way of Southwest Minnesota initiatives, community partner programs and partnerships. We never know when we might be in need of help, and everyone benefits from living and working in a healthy community.*

Myth #9: I only have a few dollars to give and that can't possibly make a difference.

Wrong.

FACT: *Every dollar just like every person makes a difference. When combined those funds are a force for good in our community. United Way of Southwest Minnesota depends on the generous support of everyone in the community. By everyone doing their part, we can continue to provide these critical services to those in need. More than 3,000 individuals, families, service organizations, clubs, schools, foundations and businesses contributed to our previous campaign. Gifts ranged in size from less than a \$1.00 to tens of thousands of dollars. When many entities give it adds up and makes a remarkable difference throughout the region.*



Myth #10: I've seen this chart on the internet which states United Way hardly gives any money to those who need it and their CEO is vastly overpaid. I'd rather give funds to the organizations on the chart on the top half because they are the only ones doing things right.

Incorrect.

FACT: We believe donors have the right to contribute funds to organizations and causes that make a difference and an impact. The chart referenced (and others similar to it) that appear on social media is inaccurate for all charities listed. Accurate information should always be pulled from a non-profit's 990, audit and annual report. Reputable charities make them available on their websites. This information is also a matter of public record. Those documents include information such as what are charities spending funds on, top staff pay level, etc., etc. The United Way of Southwest Minnesota is our own independent non-profit organization reporting to our own local board of directors. You can view our 990 and financials on our web-site at www.UnitedWaySWMN.org. You will also find a list of our current board of directors and staff on the site. Our auditor is Dana F. Cole & Company with a local office located in Marshall, MN. Our organization was awarded the Charities Review Council Meet Standards seal which addresses a non-profits performance in: Public Disclosure, Governance, Financial Activity and Fundraising Practices. You can also view our profile at www.smartgivers.org.

Non-Profit CEO compensation and how much of each dollar contributed REALLY goes to do good (<i>via Snopes</i>)		Am't of each dollar that goes to the needy
these are the good guys - they really help		
Salvation Army	CEO salary \$13,000	\$ 0.93
Ronald McDonald Houses	CEO has NO salary	\$ 0.90
Lions Club International	\$ 196,847	\$ 0.84
The Veterans of Foreign Wars	\$ 238,211	\$ 0.83
St. Jude Children's Research Hosp	\$ 824,000	\$ 0.81
World Vision	\$ 184,000	\$ 0.81
Make a Wish Foundation	\$ 441,336	\$ 0.75
watch your back here - don't be a sucker		
UNICF (CEO has use of a Rolls Royce)	\$ 1,200,000	\$ 0.14
March of Dimes	\$ 495,000	\$ 0.10
United Way	\$ 1,026,017	\$ 0.09
American Red Cross	\$ 1,030,022	\$ 0.08
Goodwill Industries	\$ 2,300,000	\$ 0.08

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