

FAQs on Overhead/Agency Designation Fees

September 2016

1. What is your overhead cost?

Our overhead rate, based upon most recent audited expenditures, is 15.6%.

This includes administration and fundraising costs, and our United Way Worldwide fees. Our local Administration & Finance Committee, and Board of Directors, always keep a close eye on our costs.

2. If overhead is 15.6%, does that mean all the rest goes directly to your partner agencies?

The remaining 84.4% goes to Community Services, including distributions to partner agencies, United Way Community Services such as the Best Start Initiative, 2-1-1 Maine and *Success By 6*, and donor designations to other United Ways and non-partner agencies.

3. How much of your spending goes to the national organization?

Less than 1% (.9%) goes to United Way Worldwide, so 99% stays local.

We feel we get back from United Way Worldwide much more than we spend, in training, sharing of best practices, national marketing, the NFL partnership, use of the logo, and more.

4. Where can I see this information?

This Overhead Costs Questions can be seen on our website, uwmcm.org, under About Us/Accountability. Also on our website are posted our **IRS Form 990 and Audit**, as is our **Annual Report** which includes a **pie chart on our Expenses**. You can review these documents at our office if you prefer (34 Wing Farm Parkway, Bath).

5. If I designate an agency, how much of my donation does United Way keep?

UWMCM applies a fee to agency designations, currently 18.17%, to cover our costs, based on our most recent IRS Form 990 and a United Way Worldwide formula.

6. Why is the agency designation fee different from the overhead cost of 15.6%?

The designation fee follows a strict formula set by United Way Worldwide, to be fair to all United Ways in recovering their costs to raise donations. It does cost money to raise money. The formula uses a three-year average, and it includes revenue numbers in addition to expenditures, which is why the figure differs from our 15.6% of audited expenditures figure.

7. Why wouldn't I give directly to an agency I choose, and skip the designation fee?

You can if you want to! We hope you will also give to United Way, and support the whole network of agencies that strengthens our community. Many people do both. It's also easier for most of us to give a significant amount if we give through payroll deduction, rather than writing a check. And for the agencies we support, or who are designated, these are donations they don't have to spend time and money fundraising for.

8. How can I be confident that the money is well handled?

UWMCM takes our accountability to donors extremely seriously. The local Administration and Finance Committee includes the Chief Financial Officers of Bowdoin College and Mid Coast Hospital, CPAs, a Vice President of Bath Savings, and other individuals with tremendous expertise. They and our Board of Directors review our financial statements monthly, as well as our financial practices closely. UWMCM follows strict United Way Worldwide standards of financial accountability and is audited annually by an independent auditor.