

United Way of Southwestern Pennsylvania Contributor Choice Program Guidelines

Revised: September 10, 2026

United Way of Southwestern Pennsylvania offers donors a wide range of options to designate the impact of their dollars. Donors can direct all or a portion of a contribution:

- Directly to United Way.
- To United Way's investment priorities:
 - **Meeting** – Meeting Basic Needs.
 - **Moving** – Moving to Financial Stability.
 - **Building** – Building for Success in School and Life.
 - **Strengthening** – Strengthening the Nonprofit Sector.
- To a specific nonprofit health and human service organization (partner agency, non-member agency or a specific United Way). *Note: United Way volunteers do not review the management and fiscal activities of any non-member agency or their specific use of the designated dollars they receive in this manner.*

Service fee (fundraising and/or processing fees)

United Way service fees are deducted from each monthly payment made to local United Ways, member and non-member agencies of United Way. For the 2026-2027 campaign, a 12% (8% fundraising, 4% processing) fee is charged for "designation transactions"¹ to United Ways, member and non-member agencies to underwrite the expenses incurred by United Way for fundraising and administrative expenses.

For designations to United Ways only — reimbursement of fundraising fees is determined on a company-by-company basis. In accordance with Standard M, United Ways will receive communication from United Way of Southwestern Pennsylvania listing the companies processed nationally or regionally by United Way of Southwestern Pennsylvania. Upon receipt of the communication, United Ways must complete and submit the communication to clarify their position and inform us of any fundraising activities in their service area. If received, fundraising fees will be reimbursed to the local United Way.

In some instances, employers agree to underwrite the cost of the processing fee. In those cases, the United Way processing fee resulting from designated contributions from employees of those companies will not be deducted from the monthly payments to other United Ways and agencies.

Shrinkage/pledge loss

United Way does not withhold an estimated shrinkage allowance from designation payments. Instead, each designation is paid in proportion to the amount of the pledge actually received. In the case of payroll withholding

¹ A "designation transaction" refers to a gift from a donor that has been "designated" to another United Way or a member or non-member agency of United Way. United Way typically refers to these types of contributions as Contributor Choice gifts.

designations, the payment of these designations is based on the percentage of collections received as compared to the total pledges made on a company-by-company basis (unless the company provides a detailed payment file by employee). For example, if 5.5% of a company's pledges are collected in a month, then 5.5% of all designations made by that company's employees are paid to their designated agencies.

Administrative procedures

Acceptable pledge and designation sources include the following:

- A validated online donation made on the United Way website.
- A signed company-designed² or United Way pledge or Contributor Choice form.
- A signed letter from the donor that includes certain specific information.
- A report/list from a bona fide third-party processor that includes certain specific information.
- A report/list from a National Corporate Leadership account that includes certain specific information.
- An electronic file from a company that processes their pledges and designations internally.
- An electronic file from a company that offers continuous giving (i.e., rollover of United Way pledges from the prior year without the donor completing a new pledge card for the current year).³
- A signed letter from the company that details the number of donors and total pledge amount — summary record (this is also accepted for pledges from donors that did not submit a new pledge form).
- An email either from the donor or from an authorized company representative.

Undesignated or default United Way designations

If the donor does not select or write in a specific agency or otherwise make a clear indication of their designation, the remaining pledge amount is considered undesignated and will be paid to the local check-off United Way.

Contributor Choice agency eligibility criteria

For an agency to be eligible for designations, the agency must be a 501(c)(3) tax-deductible organization, in compliance with the USA PATRIOT ACT and all other counterterrorism laws and meet the requirements of the PA Solicitation of Funds for Charitable Purposes Act.

United Way donors, within United Way's geographic footprint, can designate to health or human service agencies or agencies that provide such programs, if they comply with the previously stated requirements and are in full compliance with all federal, state, county and local requirements and laws pertaining to nonprofits. United Way defines health and human service agencies as nonprofit organizations which provide programs and services to people in order to help them stabilize or improve their lives, recover from disasters, gain self-sufficiency and/or meet basic needs such as food and shelter.

United Way utilizes a third-party vendor to validate agencies against the IRS Publication 78, the terrorist watch list and 990 revocations monthly.

Designation minimum — there is a minimum designation of \$24 per agency. There is no minimum for contributions supporting your local United Way.

² All company-designed pledge forms should be reviewed by United Way for approval when possible.

³ The companies that run their campaign in this fashion inform their employees that if the employee does not respond to the current campaign request, the company will tell United Way that those employees' prior-year pledge can be used as the current-year pledge.

The preferred method of payment for Contributor Choice payments is through Automatic Clearing House (ACH) deposits. Agencies should be set up to receive ACH deposits and submit a completed ACH authorization form with a voided check, copy of the agency's letterhead or business card and CFO's name and signature.

GuideStar is used to vet agencies monthly to determine eligibility for the Contributor Choice program. If the agency is determined to be ineligible, the agency and the donors will be notified of the reason the agency has been considered ineligible.

The New Agency request period is open from May through June of every year. To complete an application to be considered for United Way's Contributor Choice program, agencies may visit: uwsdpa.info/cc-application.

If a designated agency is determined to be ineligible because it does not meet the criteria, the donor will receive a letter describing the reason the agency is ineligible. The donor is given the option to make another designation and is asked to respond within 20 calendar days or the ineligible designation will be reverted to the local checkoff United Way.

Campaign period (cycle)

Below is a schedule of activities for the 2026-2027 campaign period that can be used as a guide for future campaigns.

- The campaign starts on July 1 each year and ends on June 30.
- Fully-paid gifts will be accepted and processed for the campaign period between July 1 and June 30.
- Payments on pledges (excluding payroll payments) for this campaign period may be received as early as July 1, 2026 and as late as June 30, 2028.
- Most employee payroll withholdings for this campaign period begin in January and end in December.
- Most companies begin to submit payroll withholdings to United Way in February and end payments by June of the following year.
- Contributor Choice payments to agencies begin when such designated gifts are collected (as early as July 2026) and continue monthly for the full collection period (i.e., to June 2028).

During the campaign period: Acknowledgement to Agency Reports are made available online to all eligible agencies. Agency contacts are set up with a unique user ID and password. As a courtesy, emails are sent to all active contacts monthly, encouraging agencies to access their reports. The reports include donors processed to date. A final email is sent at the end of the campaign and includes all donors designating their gifts to the agency for the campaign year.

Campaign collections: Designated gifts paid by check⁴ or credit card and those that are handled through the "bill direct" option will be forwarded (less any processing fee) to the designated United Way or agency the month after payment is received by United Way. Contributor Choice payroll deduction pledge payments will be forwarded to the designated agency at the same percentage (calculated as the amount collected in the period for that company divided by the total pledges for that company's campaign year) as the donor's company collects those pledges and remits them to United Way. *If a company provides an electronic file detailing employees' deduction amounts, disbursements will be calculated based on actual collections at the donor level (less any fees).*

⁴ Cash payments are discouraged by United Way — checks are recommended in lieu of cash. Money orders are also accepted.

Contributor Choice payments are made monthly and begin the month after the first payment is received from the company and/or donor. Contributor Choice payments are paid directly to the designated agency or to the designated United Way, less any administrative fee. It is possible that a United Way or agency will not receive a payment every month, as payments are dependent on the collections from the prior month.

- Contributor Choice payments aggregating at least \$500 per agency are paid monthly.
- Contributor Choice payments of \$100 or more per agency are paid quarterly.
- Contributor Choice payments of less than \$100 will be paid in July 2028.

In all cases above, shrinkage is based on actual pledge losses at the company and/or donor level. There is no incremental pledge loss fee charged by United Way.

Donor thank you/confirmation letter

United Way provides a thank you/confirmation for pledges received via an acceptable pledge source (see administrative procedures).⁵ The thank you/confirmation is to thank the donor and to confirm the donor's wishes. The donor is instructed to confirm the pledge and designation information for accuracy and to contact customer service to make change requests. All requested changes will be completed, and a revised thank you/confirmation letter will be sent to the donor.

Acknowledgement to Agency and Payee by Organizations Reports

Contributor Choice agency contacts are set up with a website user account to retrieve their monthly Acknowledgement to Agency Report and Payee by Organizations Reports:

- The monthly Acknowledgement to Agency Report includes all donors for the current campaign year. A date is provided for each donor to identify when the donor was previously listed on the report. If there is no date shown, it is the first time the donor is listed on the report. The list may change as a result of a donor-requested update, processing error and/or company/donor notification of a retired or terminated employee.
- The information on the agency acknowledgment list includes the agency code number, the campaign year, the donor's ID number, the donor's name and address if released, their company's name, the annual amount of designation, payment method and the pledge status.
- The Acknowledgement to Agency Report is separated into three sections:
 - Anonymous donors: donors who have chosen not to release their names, and whose names have been replaced with "anonymous."
 - Donors who do not wish to be acknowledged: donors who have chosen to release their names, but do not wish to be acknowledged. Addresses for these donors do not appear in the report.
 - Donors who wish to be acknowledged: donors who have chosen to release their names and wish to be acknowledged.

Acknowledgements to Agency Reports are to be used by the agency for acknowledging donors at their discretion (United Way does not actively monitor what the agencies do with this information).

The Payee by Organizations Report lists all payees in the payout and their payments due. The payout information is by donor organization that is designated to the account.

⁵ In the case of the "summary record" pledge source, no confirmation letter is sent.

Payee by Organizations Reports (payment details) will be available online for three months. Please download and save the reports to your local computer on a monthly basis. If you need assistance or have any questions regarding this report, send an email to payables@unitedwayswpa.org.

The Agency Code Book (directory of contributor-supported agencies)

United Way annually produces a list of organizations with their United Way code number which are eligible for Contributor Choice designations. All donors are required to use the United Way code numbers.

To access United Way's code book visit: <https://unitedwayswpa.org/contributor-choice/>. United Way agency codes can also be obtained from the employee campaign manager/company representative, or by calling 412-456-6824.

IRS written substantiation

The processing United Way will provide all required tax receipts required for cash donations received per IRS Guidelines. Payroll deduction donors, third party donors and gifts under \$250 will not receive tax receipts.

Gifts of marketable securities/mutual funds

Gifts of appreciated capital assets such as stock and mutual funds are an efficient way to make a charitable donation. Those contributing stock and mutual funds may transfer such assets to United Way without triggering a capital gains tax to the donor upon transfer, and therefore no tax is due on the appreciation of the securities (i.e., the difference between the cost of the donated securities and the fair market value). Further, subject to deduction limitations, federal law permits taxpayers who itemize their deductions to deduct the aggregate fair market value of the gift property on the date of transfer. Using marketable securities/mutual funds to make an annual gift to United Way potentially provides the donor with an itemized deduction in excess of their cost basis, while giving funds to United Way based on the appreciated value of the security. This "win-win" scenario is worthy of consideration for those holding appreciated securities and interested in providing gifts to United Way and/or other charities.

Marketable securities/mutual fund shares may be transferred to United Way either by your broker or a transfer agent. If the transfer is done in physical form, a gift may be made by physical delivery of the stock certificate(s) and a stock power to United Way.

If making a gift via wire transfer, the broker or transfer agent should transfer the ownership from the donor to Sonja Simonson, director of finance at United Way, who can be contacted at Sonja.Simonson@UnitedWaySWPA.org or 412-456-6754.

If a transfer is being made through your broker or a transfer agent, please send United Way a copy of your letter authorizing the transfer and include a copy of the transfer instructions provided to the broker or transfer agent. Then, please contact Sonja Simonson by calling 412-456-6754 or emailing Sonja.Simonson@unitedwayswpa.org. This correspondence notifies United Way of your intention and, once assets are received, facilitates appropriate gift acknowledgement procedures.

United Way does not provide legal, tax or financial advice and recommends that you consult with a professional tax advisor prior to making a charitable donation of marketable securities/mutual funds.

The value of a contribution of marketable securities to United Way is equal to the mean value of the stock on the date the transfer is completed, i.e., the date the asset(s) are legally transferred to the ownership of United Way.

The value of a contribution of mutual fund shares is the final redemption price on the date of transfer. Donors will receive an acknowledgement letter from United Way stating the final gift value. Procedurally, donors should complete a pledge card/form for their company's records that includes the estimated value of the security-related contribution the donors would like to make. Recognize, however, that the actual value of the gift may vary and is based upon the value of the assets on the date of transfer.

Questions and requests for letters of instruction/authorization to transfer shares and wire transfer instructions may be directed to the finance department using the information below:

Telephone: 412-456-6754

Email address: Sonja.Simonson@unitedwayswpa.org.



United Way of Southwestern Pennsylvania serves Allegheny, Armstrong, Butler, Fayette and Westmoreland counties.

www.unitedwayswpa.org

The official registration and financial information for United Way of Southwestern Pennsylvania may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, 1-800-732-0999. Registration does not imply endorsement. UNITED WAY DOES NOT PROVIDE GOODS OR SERVICES AS WHOLE OR PARTIAL CONSIDERATION FOR CONTRIBUTIONS MADE.