Overview of the United Way of Southwestern Pennsylvania Designation (Contributor Choice) Policy

What Donors Can Support

Donors may direct all or part of their gift to:

- United Way of Southwestern Pennsylvania's general fund.
- United Way impact priorities:
    - Meeting Basic Needs
    - Moving to Financial Stability
    - Building for Success in School and Life
    - Strengthening the Nonprofit Sector
- A specific nonprofit health and human service organization.
- Another United Way organization.

Agency Eligibility Requirements

Organizations receiving Contributor Choice designations must:

- Be recognized as a **501(c)(3)** tax-exempt organization.
- Comply with the **USA PATRIOT Act** and other counterterrorism requirements.
- Meet Pennsylvania charitable solicitation requirements.
- Provide health and human service programs or services.
- Remain compliant with applicable federal, state, county, and local laws.

United Way validates agencies monthly through third-party screening against IRS and compliance databases. Agencies determined to be ineligible are removed from participation, and donors are notified and given an opportunity to reallocate their gift.

Designation Minimums

- The minimum designation to any individual agency is **$24 annually**.
- There is **no minimum** contribution to a local United Way.

Fees on Designated Gifts

For the 2026-2027 campaign:

- A **12% service fee** is applied to designation transactions:
    - 8% fundraising fee
    - 4% processing fee
- Certain employers may cover the processing fee, reducing the deduction from agency payments.

How Designated Gifts Are Paid

United Way does not apply an estimated "shrinkage" factor up front. Instead:

- Agencies receive payments based on the amount of the donor's pledge actually collected.
- Payroll deduction gifts are paid proportionally as payroll contributions are received from employers.
- Designated gifts are distributed monthly as funds are collected.

Payment Schedule

- Payments of **$500 or more** per agency are distributed monthly.
- Payments between **$100 and $499.99** are distributed quarterly.
- Payments under **$100** are distributed at campaign close (July 2028).

Administrative Requirements

United Way accepts designations and pledges through multiple verified sources, including:

- Online donations
- Signed pledge forms
- Donor letters
- Company payroll files
- Third-party processor reports
- Authorized emails from donors or employers

If a donor does not specify a designation, the gift becomes an **undesignated contribution** and supports the local United Way.

Agency Reporting and Donor Information

Eligible agencies receive online access to:

- Monthly donor acknowledgement reports
- Payment reports showing disbursement details

Reports may include donor names and addresses when permission has been granted by the donor. Anonymous donors are identified only as anonymous.

Annual Agency Enrollment

New agencies wishing to participate in Contributor Choice may apply during the annual enrollment period:

- **Application window:** May through June each year.

Campaign Timeline

The annual campaign cycle runs:

- **July 1 – June 30**
- Payroll collections generally occur throughout the following calendar year.
- Designation payments continue throughout the collection period, which can extend up to June 2028 for the 2026-2027 campaign