

**United Way of Anchorage
Board Meeting
August 18, 2021, 4-5:30 p.m.
Via Teams**

Members Present (12): Belinda Breaux, Laurie Butcher, Greg Deal, Mike Dunn, Bill Falsey, Dick Mandsager, Jordan Marshall, Rachel Norman, Susan Parkes, Natasha Pope, Beth Stuart, David Wight

RSVP Regrets (7): Walt Bass, Charles Fedullo, Mike Huston, Alex McKay, Daniel Mitchell, Veronica Reem, Ed Ulman

Call to Order: Natasha Pope called the meeting to order at 4:03 p.m.

CONSENT AGENDA

Susan Parkes moved to accept the consent agenda (May meeting minutes) as presented, David Wight seconded, and the motion passed unanimously.

AGENDA ITEMS

Executive Committee Report:

Natasha Pope extended kudos to:

- Ed Ulman – Alaska Public Media’s “Alaska News Nightly” program has won the prestigious National Edward R. Murrow Award under the Small Radio Newscast category. The Edward R. Murrow Award, which has been awarded by The Radio Television Digital News Association since 1971, honors recipients that demonstrate the spirit of excellence that Murrow set as a standard for the profession of electronic journalism.
- Finance Committee – for the incredible support of this year’s budget.

Board members should have received an invitation for the September 29th and 30th equity training through the First Alaskans Institute. The training will cover important topics including fostering and growing racial healing by meaningfully engaging in communities across Alaska on racism and racial equity. Board members are encouraged to be part of the conversation – it will be very beneficial as the Board works on strategic planning; it is also a requirement for UWW membership certification.

Finance Committee Report:

Aminata Taylor shared that the budget presents a reasonable scenario resulting in deficit. It assumes that the revenues generated are from current programs and contracts with a relatively small optimistic outlook on new funding sources. Past fiscal year budgets have presented deficits as well, but actual results were always positive.

There is approximately 10% increase in campaign revenue based on FY21 projection which have come in higher than previously budgeted. The drivers of this increase are a slight return to pre-covid activity relating to the public campaigns, gaming, and increase in UWA related

designations. Other revenues are based on the lower of the current year's actuals or budget except when known factors call for an increase. Expenses are the maximum planned and represent the spending authority to be granted by the Board. Spending of restricted funds is contingent generating those funds; if the funds are not there, the expenses will not be incurred.

Revenue budget assumes economic conditions will be unchanged from the prior year. Special consideration was given to COVID-19. The pandemic has had a significant impact on the organization, with a positive impact on UWA's cash position. However, given the unpredictability in the economy, UWA chose to budget revenues based on the factors being constant and known. There is an increase in personnel costs, due to several reasons: UWA has had vacancies for greater than six months that were filled at the end of FY21, and there are four new positions included in the FY22 budget that did not exist in FY21. This is approximately \$327k not including benefits.

Increase in allocated expenses includes shared expenses that cannot be directly traced to an individual program, such as IT, accounting, marketing, and other administrative costs. The allocable pool is distributed to the departments based on proportionate FTEs. The amount of community investment is kept at the current year level, as UWA uses continuation funding. The success of the 2021 UWA campaign can be accurately determined by mid-November. At this time, UWA will determine the effect the success or lack of success will have and the level of adjustments that should be made. Personnel budget is reduced by a 5% vacancy rate.

There are some large differences between the FY22 budget and estimated current year actual. Campaign revenue is budgeted for modestly at a 10% increase which is the result of activity relating to gaming and out of area campaign dollars. Designations and shrinkage are based off a rolling 3-year average percentage, taking out funding strictly related to COVID-19 initiatives. This is a conservative budget that projects a slightly higher rate than the FY21 projected actuals. Public campaign revenue is higher than prior year as there were no public campaigns held in FY21.

Other revenue is due to UWA charging administrative fees for administering non-UWA projects (based on current year contractual agreements); an estimate of additional resources that UWA will be seeking; and an increase in restricted revenues mainly derived from the Home for Good project. Increase in contractual and project program expenditures comes from the increase in activities relating to homelessness. These expenditures are fully funded by the HUD grant. Increase in IT related expenses stem from the implementation of new modules in UWA's accounting system and the replacement of new equipment estimated at about \$30k. As UWA has had varying changes in staff, it has built in additional training cost to help staff be successful in their roles.

Susan Parkes moved to approve the budget as presented, Beth Stuart seconded, and the motion passed unanimously. Laurie Butcher reported that the Finance Committee recommends that the Board take action to accept, administer, and expend the COVID-related funds since they're not part of the approved budget. The Committee proposes the following motion:

The Board approves the UWA Chief Executive to accept COVID-related contracts and grants, including those received to date. The Board approves UWA to seek and accept additional COVID-related revenue opportunities that: 1) are aligned with the overall

UWA mission, and 2) have a net positive or neutral impact to the "bottom line" (excess of revenues over expenses) of the UWA budget. The COVID-related revenues and expenses are considered supplemental to the previously approved FY22 budget.

Luarie Butcher moved to approve the motion, Beth Stuart seconded, and the motion passed unanimously.

Cassandra Stalzer talked about campaign assumptions. After years of declining campaign revenue, why is UWA projecting an increase? UWA has every reason to believe that the revenues that declined due to covid, will come back somewhat. Corporate giving is down slightly, but UWA is hoping that it can retain individual giving. In special events, there is a slight increase over last year, but not too much. Big question is: With workplace campaign drying, some indicators are that there is no reason to believe that corporations will be making a bigger effort.

More companies are now launching their own private foundations; this is sort of an interesting development. At least \$175k of corporate support was given directly to AK Can Do through UWA, so it is not counted as "local campaign." In 2019 Business Roundtable redefined the purpose of a corporation away from just shareholder value to include benefits to employees and communities. Corporate CSR programs continue to grow because communities and employees expect it.

Based on analysis of 100 top performing United Ways, what works includes:

- Robust volunteer (Board) engagement in workplace and Major Gifts/Tocqueville fundraising
- Attention to the top line and adaptation at incorporating donors/public sector/companies who designate
- Relationships with corporate CEOs/C-Suite
- The ability to unbundle impact into what donors want through integration of CI/RD/Marketing and Communications/Finance
- Knowledgeable CEO/Board in the "ways" of United Way RD practices and accompanying accountability

Threats include: DAFs – now 28% of all charitable giving; tax incentives for non-itemizers; the rise of the Company Foundation; underinvestment in donor experience and impact product development; and losing our multi-state companies to other United Ways or 3rd party processors. The use of Epledge, which is the workplace giving platform UWA owns and rolls out to companies, grew from 20 to 51% of all dollars in last year. In one year, UWA went from several hundred paper pledge forms to about 100. Somewhere between 30 and 40 percent of workplace pledging takes place on 3rd party platforms that UWA doesn't own or control.

President's Report:

Clark Halvorson shared the latest on UWA's COVID-19 response and provided an update on UWA and strategic planning.

COVID-19 Response

With the current covid situation, UWA has the ability to be very nimble and adjust to what our community needs. Vaccination rates are some of the lower in the country. UWA is working with the Municipality to coordinate the efforts on \$500,000 for rental assistance. UWA has a grant

through the Municipality for the landlord program to support more challenging individuals. Home for Good program's major challenge is that there are not enough housing vouchers available. Restaurant and hunger relief program was funded through the end of the year. UWA just kicked off vaccination program where it is trying to identify folks who know why people are hesitant about vaccination; attempting to remove barriers for folks to participate. UWA just spent out \$5M around childcare centers and did a bit of a survey and asked some questions – do we have to change the ratio requirement, the number of children on the waitlist – it's about space and staffing, so that UWA is being able to do more informed decisions if and when more dollars come in.

UWA Update

UWA created a transition document for new administration which highlights who we are, as well as a few areas where we worked well together with the Municipality. UWA had a couple of meetings with the Mayor's team; they continue to be excited on how UWA partners with them. We also continue to look for ways to partner on covid funding and covid vaccination, just to maintain a really good relationship.

Strategic Planning

2014 is the last time UWA reviewed its strategic plan. In that plan, UWA set some very specific community goals – education, health, more families housed. We also set some business goals on how we are going to do that. June Sobocinski will provide a snapshot of what UWA has accomplished in that timeframe.

June Sobocinski reported that looking back through some of the data and accomplishments over the last 5 years, in the area of “more children start school ready to learn, stay on track, and graduate on time prepared for work, life, and continued education,” UWA convened and led a broad community partnership and set a population level goal: 90% graduation rate by 2020. Progress over the last 5 years includes: distributing about 500,000 books to children; supports to at-risk students resulting in attendance rates 10% better than peers; 528 youth on the path to dropping out, graduating instead; 4-year grad rate hitting 84%; 5-year grad rate hitting 88%; EDS grad rate hitting 78%. Where more progress is needed: 67% of kindergarteners are not “kindergarten ready” when they enter school; students need to graduate better prepared for work/life/college; very divergent academic outcomes remain.

In access to healthcare, UWA's focus has been helping people get insured. Progress over the last 8 years includes nearly 25,000 people served by healthcare navigators and approximately 8,000 people signed up for market insurance or Medicaid. Where more progress is needed: Alaska is the 7th most uninsured state in the USA at 12.2%; disaggregated data shows people of color are far less likely to have health insurance in Alaska; UWA's only focus on healthy behaviors has been individual agency investments – could do much more.

In the area of “more families are housed and financially stable,” UWA's focus before the pandemic was free tax prep, the Emergency Cold Weather Shelter System, and Home for Good pilot. Progress over the last 5 years includes: conservative estimate of \$30 million in tax returns; the Emergency Cold Weather Shelter partnership ensured every year that no child slept out in the cold; Home for Good pilot serving the hardest to house began housing individuals and received first re-payment from Municipality (PFS model). During the pandemic: \$60,000 food gift cards

and \$10,500,000 pounds food distributed; distributed funds to help 200 childcare centers serving over 400 children stay open; helped 7,000 families with rent relief to stay housed; distributed 41,200 meals, keeping restaurants open, workers employed, and people fed. Where more progress is needed: the overall poverty rate in Anchorage is 9% and disaggregated data shows 5.3% Caucasian, 21% for both Alaska Native and Pacific Islanders, and 16% for African Americans. Most of the community's attention is focused on responding to the needs of people already experiencing homelessness or very close to it; there is a gap in focus to create conditions for low income working people to increase income and gain assets.

In 2-1-1, which is a foundational resource for the state supporting outcomes in all UWA's focus areas, progress over the last 5 years includes: prior to the pandemic, about 20,000 calls per year; high customer satisfaction/would call again: 96%; 70,436 calls in 2020, volume more than tripled; enhancements to website, texting ability. Opportunities ahead include expansion throughout the state and better connection with underserved communities.

Clark Halvorson shared that UWA annual report is online now, if the Board would like to look at some specific successes over the last year. Belinda Breaux has been a huge help with strategic planning, and UWA also brought back Agnew::Beck consulting. In this strategic planning effort, we know that we need to get more focused on issues that affect our most vulnerable. We know we need to generate more resources. We have the opportunities to track more support for our work. We need to communicate better on what we are doing, working hard on building our toolbox, particularly online. We need to bring partners together for a common vision, build an ad hoc team for strategic planning, and will be asking community leaders, and some of our providers, to participate. We will also be doing needs assessment and planning sessions with strategy team to reflect on it all, and then bring it all back to the Board in February or March.

Motion to adjourn the Board meeting was made by David Wight, Laurie Butcher seconded, and the motion passed unanimously.

Next Board meeting: September 15, 2021