

Schools' gifts to United Way may decrease

District 205 employees who donate have more charities to choose from this year.

By DUSTIN J. SEIBERT, *Rockford Register Star*

ROCKFORD - Payroll deductions are a key fundraising tool for the United Way of Rock River Valley, and Rockford School District employees have been a rich target.

But this year, a collection of other charities wanted their share of donations from the city's largest employer. Now, School District employees can choose from hundreds of charities in addition to the United Way's 47 local organizations.

For School District employees, it means a newfound choice that experts and other charities say has been a long time coming.

But for United Way, which is the exclusive charity of nearly 400 area businesses, it could mean a loss of more than half of the \$110,000-plus it regularly brings in from just school employees.

It also may be the beginning of a trend that could mark the end of United Way's longstanding control of area charity.

"The United Way has had a long history of thinking of itself as a monopoly," said Rick Cohen of the Washington D.C.-based philanthropic watchdog group National Committee for Responsive Philanthropy. "They often don't react well when upstarts challenge them."

He said most of the \$4 billion to \$5 billion of national workplace donations annually comes from United Way, limiting smaller, more uninvolved charities.

"For many organizations, access to workplace donors is pretty attractive," he said.

The United Way, a pioneer of workplace donations, has been doing payroll deductions in the area since the beginning of the 1920s. For many years, it held special events to campaign in the School District.

Now, United Way's only hands-on role is to collect the charity sheets from public school employees and send them to the payroll department.

The change is being ushered in by Combined Charities Campaign, a group of 11 charity agencies. The campaign was formed in the late 1990s as a result of agency collaboration to decrease the cost of establishing individual campaigns.

In November, School District employees received a Combined Charities Campaign booklet

listing the charities. Employees can fill out a sheet requesting a payroll deduction or submit a check to Combined Charities.

"People will still give to United Way, but they will have choices," said Mike Doyle, executive director of Community Shares of Illinois, a Combined Charities agency. "It's the employee's decision, not anyone else's. It lets the marketplace work."

Area businesses are required to provide for the additional charities under the Voluntary Payroll Deductions Act of 1983, which says that state-identified charities' exclusion in workplace campaigns is a constitutional violation. Illinois Attorney General Lisa Madigan wrote as much in an opinion in 2004.

The Rockford Park District also has come under Combined Charities this year.

Doyle said that while the School District and Park District were not resistant to the changes, other businesses statewide needed prodding before adhering to the law.

He said the city of Rockford and Rock Valley College are the next targets in an ongoing campaign to expand Combined Charities to more local businesses.

"Some take longer to come around in the right point of view, but it hasn't generally been a problem," Doyle said. "The School District has been great in working with us. It's been a cooperative kind of thing."

Mary Ann Gimmel, assistant superintendent of Human Resources for the district, said she ultimately expects her employees to continue donating to charities they are used to giving to.

"I think people are creatures of habit," she said. "If you've always given to the United Way, you're gonna mark that anyway. It's a personal thing."

But the numbers say different. With about a quarter of School District employees having reported to United Way as of Tuesday, the total amount donated to all charities is \$17,917.70, compared with last year's amount of \$24,253.50 at the same time.

Of the donations collected so far, only \$13,316.62 was for United Way.

"We don't want to lose any revenue, of course, but we expected that there would be a decrease, and we are planning for it," said United Way President Michael Call, who added that such new United Way initiatives the Women's Leadership Society should help offset the loss.

"I respect donors' wishes to donate to who they want," he said. "We still hold the lion's share of all campaigns, and the corporate supporters we have are committed to us. So we will just keep doing our best work and standing on our track record."

Gimmel believes the drop-off could be a result of increased community giving in the face of Hurricane Katrina and other natural disasters.

"It's going to be hard this year to determine what motivated people to give or not to give, because so many gave to the disasters," she said. "And that's a good thing, but I wouldn't be surprised if everyone took a hit."

Cohen said the addition of a broad range of charities for businesses to choose from is the "next generation of workplace philanthropy," ushered in by a younger generation of donors who wish to be more personally involved with charities.

"Donors like to get involved; it's a sense that people have more to deliver than just money. Lots of young people don't see themselves reflected in what they are trying to support," he said. "You have corporations offering employees choice, and that seems something that's getting better results from employers around the country."

He admits that the lack of the hands-on campaigning that United Way adopted with the School District could be detrimental to future fundraising.

"It's not the kind of thing you simply give a book to," he said. "It requires member charities to do something."

Tonya Thayer, executive director of Rockford Area Habitat for Humanity, a charity listed in the book, said the new implementation should benefit her organization as well as other smaller groups not involved with United Way.

"This definitely is a better way for us to reach more people," she said. "I would like to see the United Way still get their \$110,000, but workers should have the option to pick from everyone."

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