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OA/ID Number: 52067
Folder ID Number: 52067-001

Folder Title:
United Way [1981-1984] [1]

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UNITED WAY - WHAT IS IT?

The United Way of the Texas Gulf Coast is one of some 2,200 United Way agencies serving the entire U.S.A.

The United Way is a voluntary movement unique among contemporary charitable organizations being both sensitive to the needs of the community and fully accountable to the public for each program and expenditure. It is an area-wide coalition of interested citizens with the common goal of meeting, solving and preventing problems in the area of human-care. The United Way is truly reflective of the volunteer spirit that made this country great.

Almost 60 years ago the United Way of Houston and Harris County began as a committee of interested citizens, who had as a major concern the problems and needs faced by the men, women and children of the area. It has since evolved into the most effective, efficient and accountable human-care-delivery system anywhere. Today it has a volunteer force of about 1,570 serving on policy making committees in planning, allocations, finance, information services and on the boards of member agencies. United Way agency volunteers involved in service delivery number approximately 19,625 persons. Over 21, 000 volunteers join together each year to organize and conduct the annual campaign.

There are over 260 services currently being funded by the United Way in service centers all over Houston, Harris, Ft. Bend and Montgomery counties. In 1977

these programs served approximately 660,000 persons. The United Way is the vehicle that will insure the continuance of services and programs through the vitally important function of financial support. Representing the most inclusive, effective fund-raising drive in our area, the annual campaign collects monies for forty-four member agencies as well as other programs, which show they are meeting significant community needs. Substantial savings are achieved by combining these appeals into a single low cost campaign and the savings are passed on to the recipient, in the form of more and better service.

Led by volunteers in all phases of its operations, the United Way makes our area a better place to live because the system through which it operates works for the people it serves and offers hope and dignity for all.

UNITED WAY
HISTORICAL HIGHLIGHTS

- 1921 D. W. Michaux, President of the Houston Chamber of Commerce appoints Walter Woodul, a young Houston attorney, to chair a committee studying the feasibility of a federated charity drive. Mr. Woodul and his committee survey the existing conditions and the needs of each proposed member organization for nearly a year...then approach the community leaders with their plan for an annual appeal. As a result, a Community Chest is formed.
- 1922 The first official drive of the fledgling Community Chest raises \$307,200.33 for twenty-one member agencies. The city's population at the time was 226,256. The campaign is conducted by a staff especially employed for this purpose.
- 1923 Burke Baker of Anderson-Clayton & Company becomes the first Campaign Chairman. The goal is exceeded by 10%, raising \$445,578. By 1928, the Houston Community Chest has made a record unequalled by any other Chest organization in the South west. Houstonians are solidly behind the drive and each year the goal is oversubscribed.
- 1932 These are the Depression Years...the Community Chest drive drops in receipts from \$652,046 to \$433,140. There is little organized public welfare aid available, and so...much of the money raised goes to provide food, clothing and shelter.
- 1937 From 1922 until 1937, the Community Chest was administered on a half-time basis. After the 1937 census and the Pheiffer Survey to determine community needs, the first full-time staff director of the Community Chest is employed.
- 1943 These were the years of the War Chest, created to raise funds needed for local and national organizations necessary to the war effort. Labor officially endorses the federated fund raising concept. B. F. McClellan, President of the Labor and Trades Council encourages a donation of a minimum one hour's pay per month. George A. Butler, a prominent Houston attorney, is President and T. E. Swigart leads the drive combining appeals of nine war relief organizations and thirty local welfare agencies, raising \$1,902,637.
- 1951 The first United Fund is formed to replace the Community Chest. The fund now includes the American Red Cross and other formerly separate drives. Hines Baker is Chairman of the committee that brings the United Fund into existence. Howard T. Tellepsen, General Campaign Chairman for the final Community Chest drive accepted the leadership of the first United Fund campaign and raises \$3,888,193.
- 1961 The devastation of Hurricane Carla ushers in the sixties and with it a goal that tops \$5,000,000. Area citizens join together to meet the need and exceed the goal by raising \$6,010,130 (100.68%).

UNITED WAY HISTORICAL HIGHLIGHTS - page 2

- 1971 The 1970 census records the Houston and Harris County population at 1,688,927. With the figures hitting an all time high, Duncan Macfarland leads the largest campaign of the first half-century with a goal that passes the \$10,000,000 mark.
- 1975 G. Montgomery is President and Campaign Chairman, Anthony J. A. Bryan, forms a campaign team that raises \$14.4 million, or \$1.7 million new dollars. The Center for Multiple Handicapped Children is admitted as an agency and a grant to the Goldfarb Development Clinic is approved.
- 1976 Houston and the surrounding area are now growing at a staggering rate . . . 60,000 new people enter the area each year. Consistent with meeting the human care needs created by growth, President Anthony J. A. Bryan expands services to Fort Bend County. The Fort Bend Service Center is established, in which several agencies are located, and becomes fully operational in August.
- The merger of the Community Welfare Planning Association and the United Way's Agency Operations Division forms a new group - P.A.I.R. - an acronym for Planning, Allocations, Information Services, and Research. Included in the new group are Crisis Hotline and Information & Referral. A local banker, Nat Rogers, leads the campaign's success to raise \$15.8 million. The Executive Committee votes to merge the Board of Trustees and the Executive Committee to a 21 member Board to provide better continuity. The officers will serve a two year term in the future. Phasing in of the Board will be complete by 1979.
- 1977 As the Houston area continues to expand, more than 76,000 calls are logged to Crisis Hotline and Information & Referral, reflecting the increasing need for human care services. Ross Spicer leads the community to produce a record \$18.2 million, or 15.2% over the 1976 Campaign. This achievement makes Houston one of four communities to raise more than two million new dollars in a single campaign. More than 300,000 contributors now give through the campaign to provide the funds necessary for human care needs.
- The Wesley Community Center is admitted as an agency and grants are approved to six other organizations: Voluntary Action Center, Fort Bend Office of Early Childhood Development, Association for the Advancement of Mexican-Americans, La Clinica de Consulta Familiar, Children's Educational Developmental Center, and New Directions. John Morley of Exxon Chemical, is elected as President.
- 1978 John C. Morley, President of the United Way, names Don Horn, Secretary-Treasurer of the Harris County AFL-CIO Council, the Volunteer of the Year at a special volunteer recognition luncheon held in April during National

UNITED WAY HISTORICAL HIGHLIGHTS - page 3

Volunteers Week. An advisory board of local business, labor, community, and media leaders is formed to offer their counsel and expertise to the Board of Trustees.

The Houston area United Way campaign continues to lead the nation in percent of increase when \$2,557,605 new dollars are raised over the 1977 results. Richard G. Merrill, President of First City National Bank, leads the campaign for 54 agencies to produce a 14% increase over 1977, or \$20.8 million dollars. The local United Way becomes the only city in the nation to receive four corporate/employee gifts of more than one million each from Brown & Root, Inc., Exxon U.S.A., Shell Oil Company, and Southwestern Bell Telephone Co./Communication Workers of America #12222.

Under the leadership of Gray Wakefield, a Government Relations Division is created to impact funding resources and trends as they relate to the United Way agencies.

At the request of the local community, the United Way provides services in the new Bay Area Social Services Center with \$35,000 from the annual campaign. The Center, patterned after the one in Fort Bend County, offers two top priority services - family counseling and drug abuse prevention through the Family Service Center and the Bay Area Committee on Drug Abuse. Three other agencies also established offices at the Center ...Gulf Coast Legal Foundation, Big Brothers/Big Sisters, and Travelers Aid Society. Information and Referral to other needed services was also provided at the Center which linked residents of the Bay Area to 260 United Way funded services throughout the county. The Center will be responsible for providing additional services as the need becomes apparent.

The fiscal year for the agency allocations hearings is changed. Previously, budget conferences with agencies were held in the fall, with funds allocated for the next calendar year. Now, the conferences will be held in the spring, with the allocations being distributed on the fiscal year July 1 to June 30. This change enables more campaign volunteers and staff to participate in the budgeting process.

WELCOME TO THE UNITED WAY EXPERIENCE

The United Way is a cooperative community volunteer enterprise made up of givers, users, providers and recipients of services. It presents to all people the opportunity to be a part of something bigger than themselves. Something that is inclusive and non-partisan, and whose function is vital to the well being of the community. United Way, because of its reliance on cooperative action from all community resources can provide the vision and means for continued solving of human service needs. The modern United Way has as its foundation five objectives, known as the Standards of Excellence. They are inter-related and inter-dependent. Each is important, each affects and is affected by the others.

PLANNING

The United Way works at making complete evaluations of the community's needs for human services. A representative cross-section of citizens from all parts of the community, plus agency representatives, civic leaders and people who use agency services, participate in the United Way planning. These sources permit a sensitive evaluation of human service needs. Planners work to develop new or better ways to solve immediate, local human problems, as well as plan for the future.

FUND RAISING

The Annual Campaign is the major source of funds for the United Way. Through a suggested scale of giving, individuals, corporations and foundations can assume their fair share in helping the community. And thereby, fulfill their proportionate share of the responsibility to the needs of the community.

DISBURSEMENT OF FUNDS

Volunteers work to determine fair and equitable distribution of funds. The aim is to meet the greatest number of the most urgent local human needs. Because the objective is so important, a cross section of community representatives take part in this citizen review process. Agencies submit their requests, the planning group reports its evaluation of community needs, each agency request is scrutinized in order to determine community needs for the services and how efficiently the agency operates. Monthly reports and annual audits are part of the regular review process.

COMMUNICATION

The United Way story has to be told. Community and individual understanding of the United Way programs and processes develop awareness and commitment that makes the voluntary effort succeed. Communities are to be informed about human problems and needs and how United Way organizations can uniquely act to alleviate these problems and serve the total community. A continuing line of communication keeps agencies and citizens knowledgeable. It also immeasurably

aids fund raisers in conducting a successful campaign.

MANAGEMENT

Management skills are essential for effective operation. It instills full accountability to the community. Fiscal responsibility is required and reports given on an annual basis provide full financial and program information. Contributors want to know that fund raising costs are low and that maximum usage is made of volunteer and staff resources. The United Way also assumes responsibility for program accountability. Effectiveness in meeting community needs is kept at a high level.

The Standards of Excellence are a challenge to United Way leaders calling for the vigorous leadership demanded by these changing times. Your United Way is, in essence, your community, and reflects your concern for people, their problems and the means for resolving them. Involvement from every part of the community makes possible increased awareness and mutual respect for the participants. It affords a place and a way to deal with concepts, ideals and values which effect our lives. It is a United Way to a better tomorrow.

UNITED FUND
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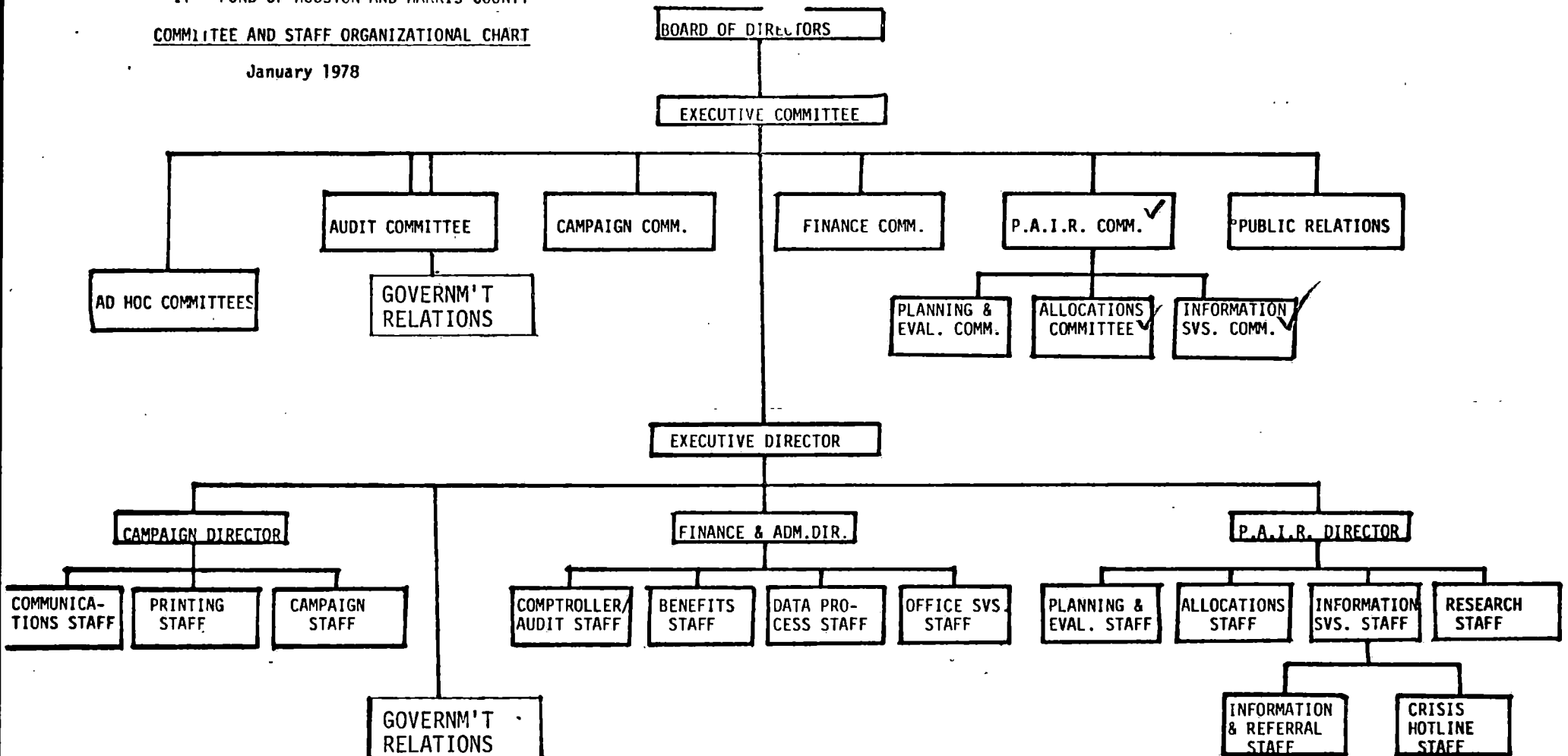
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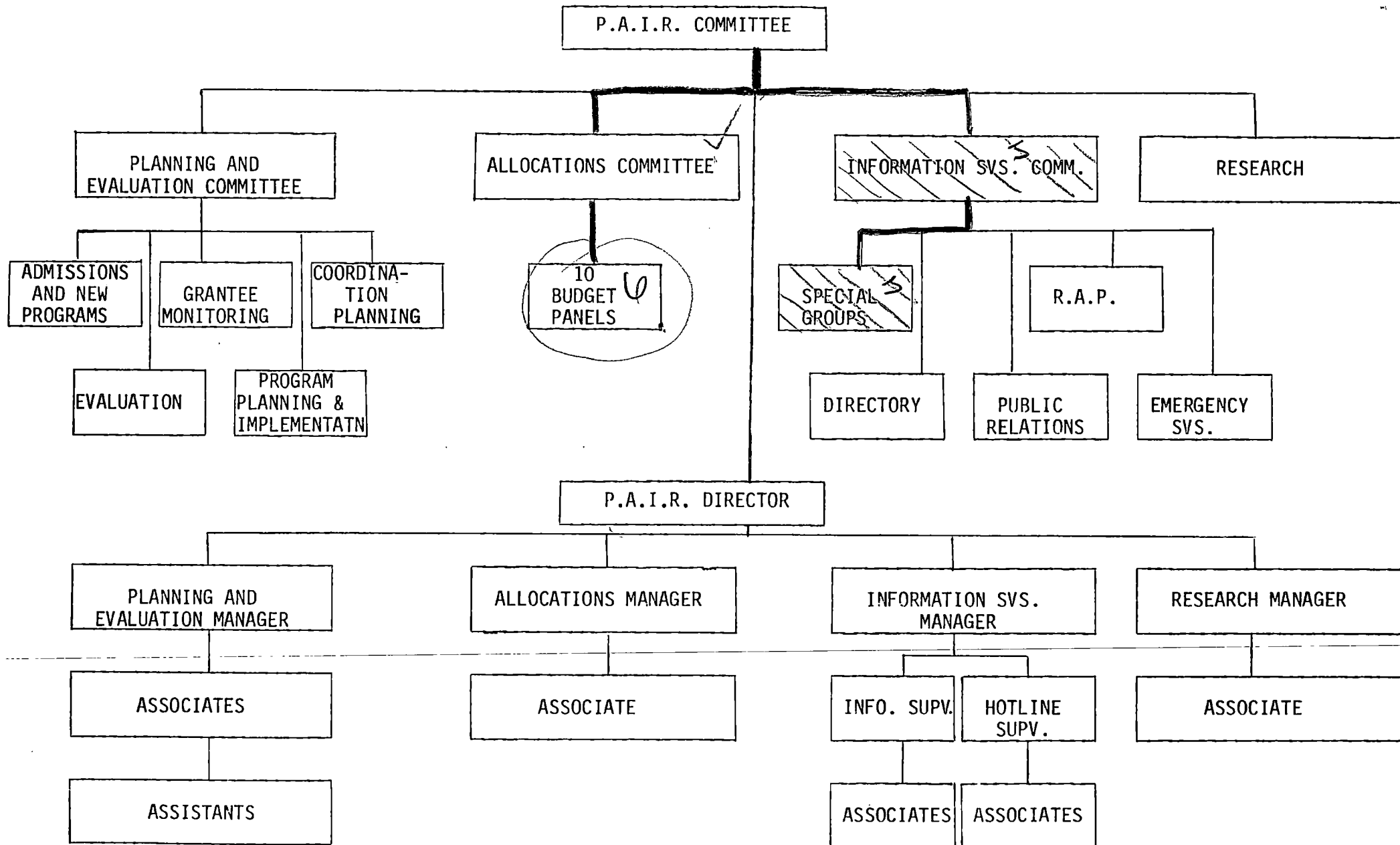
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ITSD FUND OF HOUSTON AND HARRIS COUNTY
COMMITTEE AND STAFF ORGANIZATIONAL CHART

January 1978



UNITED FUND OF HOUSTON AND HARRIS COUNTY
P.A.I.R. COMMITTEE A: STAFF ORGANIZATIONAL CHART
January 1978



PLANNING AND EVALUATION UNIT

The Planning and Evaluation Unit has several overall objectives: identifying current and changing community needs; facilitating, developing and/or modifying programs to meet those needs; documenting, through monitoring and evaluation, to ensure effective and efficient service delivery; providing or referring to United Fund-supported agencies and outside organizations with ongoing technical assistance and fostering cooperation and coordination among local, state and national agencies serving the community. Five sub-committees guide the work program and the overall operation of the P&E Unit: Needs Assessment Subcommittee, Work Program Subcommittee, Grantee Monitoring Subcommittee, Evaluation Subcommittee, and Admissions and New Programs.

ALLOCATIONS

The Allocations Committee has the primary responsibility for the United Fund relationship with its member agencies. Its principal objective is to determine the recommended level of financial support to all agencies assigned to it by the Executive Committee. Nine subcommittees, called Budget Review Panels, have immediate responsibility for a group of 4 or 5 agencies. During the annual allocation process, the Panel volunteers review their assigned agencies' programs and budgets as projected for the coming year.

After assessing financial needs of agencies in light of community service needs, the Panels make allocation recommendations to the Allocations Committee. The Allocations Committee reviews these recommendations and makes appropriate allocation recommendations to the P.A.I.R. and Executive Committees.

RESEARCH

The overall goal of the Research Department is to collect information and to insure that reporting systems are methodologically sound. The intent is to assist in the decision making processes of the United Fund. The Research Department hopes to achieve a rational system for matching current human service needs with the available resource. It complements the United Fund's concern for people, the problems they face and the efforts to resolve them.

INFORMATION SERVICES

Information Services was created to develop, strengthen, and efficiently provide the four interrelated programs.

Crisis Hotline is a 24-hour crisis intervention service serving people of all ages and all walks of life. Services include: suicide prevention, drug information, telephone counseling for personal conflict, rape, venereal disease, and unwanted pregnancy. Crisis Hotline answers the phones and does the initial counseling for Houston Rape Crisis Coalition, Parents' Anonymous and Battered Women's Task Force. Prospective volunteers are screened and go through an intensive training program.

INFORMATION SERVICES - continued

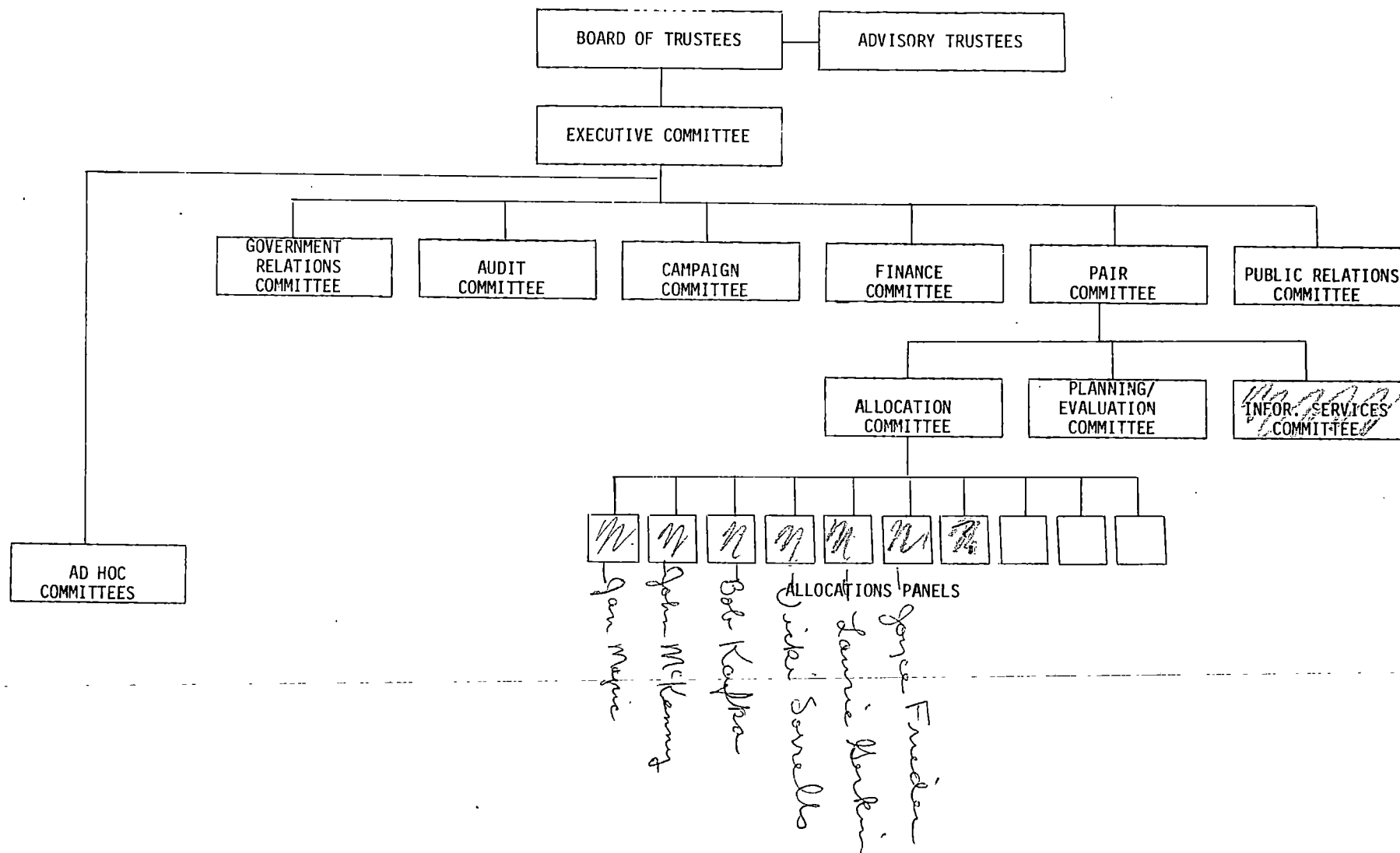
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Information & Referral is a 24-hour professionally staffed service for people with problems, assisting them in identifying the most appropriate program available. An extensive file is maintained on more than 1,000 public, private, and tax supported agencies and is constantly updated. Unique services of I&R include: teletypewriter and interpreter services for the deaf and counseling for emergency or multi-problem situations.

The Referral Agent Program provides the link between the network of community services and employees who need help but are unaware of the services available in their community. Through the R.A.P., selected employees are prepared to help fellow employees find the utilize community resources and services. The United Way provides the training and on-going supervision of the Referral Agent.

The Directory of Community Resources and Services, published every two years, lists more than 400 public, private, and tax supported agencies in our area. The Directory also indicates service location including 1,300 branch offices, hours open, qualifications for service and the number of Spanish staff available at each agency.

UNITED FUND VOLUNTEER PARTICIPATION ORGANIZATION CHART



MISSION OF THE COMMITTEE AND OVERVIEW OF THE ALLOCATING FUNCTION

Mission of the Allocations Committee:

Initially, the United Way Movement was founded as a more effective and efficient means to raise funds for charitable organizations. It is understandable, then, that many people, both at that time and to an extent, today, viewed the United Way as a "collection agent" for funded agencies. The United Way today represents more than just an efficient means of raising funds. United Way volunteers believe that they have a stewardship responsibility to insure that the funds raised are distributed to organizations that provide necessary community services in a cost-effective manner.

Distinctions Between Budgeting and Allocating:

The two terms, budgeting and allocating, are often used interchangeably. In reality, the terms are quite different in meaning, and this distinction needs to be understood in order to grasp one of the most important features of the relationship between the United Fund and the member agencies.

A budget is a document stating the financial position of an organization or a unit for a specified future period of time, based on planned expenditures during that period and proposals for their funding. Budgeting, therefore, can be defined as a systematic, calculative process through which budgets are created. Budgeting as a function is common to every organization. Allocating as a function is not common to every organization.

Allocating, as a distinct function of an organization, means the distribution of funds and other resources to other independent organizations. In applying this definition to the United Fund-agency relationship it should be clear that the agencies perform a budgeting function, while the United Fund performs an allocating function.

The confusion sets in when agencies submit their budgets to the Allocations Committee. The confusion is one between the functions of budgeting and reviewing budgets. The United Fund reviews a budget to determine an allocation. It does not budget the agencies. As independent organizations, the United Fund should recognize and honor the right of each agency to develop and manage its own budget. The budget is a management device, and is, therefore, under the control of the agency and not the United Fund.

The United Fund's ultimate responsibility in reviewing the budget is to determine whether it presents a "reasonable" case in support of an agency's allocation request, and to determine whether or not to allocate funds to the programs of the agency and in what amounts.

It goes without saying (but it will be state nevertheless) that agencies that exhibit poor performance in the budgeting and management functions on a regular basis should not be candidates for on-going United Fund support.

The Volunteer-Staff -- "Team":

In carrying out its mission, the Allocations Committee relies upon the efforts of professional staff and volunteers. Each plays a unique role. The Allocations Committee volunteer reflects the interest, knowledge, and concerns of the community's citizens -- particularly donors -- with respect to the distribution of United Fund resources. In addition, volunteers bring various backgrounds, experiences, and skills to the Committee decision-making process. The unique role of the volunteer is that of "policy-determiner" and decision-maker on major allocation matters.

The professional staff contributes knowledge of traditions and ideals of the United Way movement, skills in committee organization and planning, a knowledge of and ability to analyze human service needs and programming possibilities, and the ability to plan and articulate alternatives for committee review and action. The unique role of the professional staff is in accumulating, analyzing and interpreting information useful to the deliberations and decisions of the committee.

Together the volunteers and staff comprise a team for decision-making.

Scope of the Allocating Function:

Funds raised in the annual campaign are allocated to more than 50 non-profit charitable agencies in Houston and Harris and Ft. Bend counties. The agencies range from the very small (\$63,400 annual budget) to the very large (\$11,574,000 plus annual budget). Total expenditures of all agencies are in the vicinity of \$60,000,000 annually, with United Way funds covering roughly one-fourth of this total. The bulk of the balance of agency operating funds come from tax sources, private fees, and contributions.

THE UNITED FUND'S ANNUAL REVIEW CYCLE

The work of the Allocations Committee will culminate in May of each year with the development of recommendations for the distribution of funds raised through the annual campaign for the budget year July 1 - June 30. These recommendations are based upon the campaign goal.

"Program-Oriented" Approach:

As attention and concern over the stewardship function has increased, the United Way-Houston is adopting a "program-oriented" approach to

the allocation of funds. In a nutshell, this approach required that the Committee concern itself not just with what money was being spent on (i.e., salaries, rent, supplies, etc.), but also what it was being spent for (i.e., day care, counseling, youth development, etc.). It is no longer sufficient to base allocation decisions on whether an agency can document the fact that its expenses are increasing and, therefore, its allocation must increase. Agencies have to document that their programs were addressing a clearly defined community need, and had a reasonable chance of affecting the need.

Emphasis is being placed on the presentation of goals and objectives, program plans and their funding requirements, and internal performance assessment criteria. Key elements of this approach included:

Standardized Methods for Defining and Classifying Agency Programs: In 1978/79, the United Way of Houston will begin work on UWASIS (United Way of America Services Identification System). This represents one of the most complete dictionary or taxonomy of human service programs in existence. In 1978-79 all agencies will go through a process to redefine and classify their programs in accordance with the terms and guidelines in this document. Key to the program-oriented approach to allocations is the ability to have a common language for discerning and comparing the various programs offered by funded agencies.

ALLOCATIONS PANELS

There are nine Budget Review Committees or Panels.

1. You will notice on the front of your folder the name of the particular panel to which you have been assigned.
2. Each panel has from three to five agencies assigned to it. A total listing of all the agencies within your panel is also in your folder.
3. You will find a roster of all the panel members in your panel. Please check to see that we have your name, address and phone number correct on this list. If the information is incorrect, please give us the correct information before you leave today.
4. We have attempted to assign panels in such a way that each panel is made up of unbiased individuals representing our contributor community. It is against United Fund guidelines for any board member, employee or close relative to a board member or employee of a United Fund agency serve as a panel member on the panel that reviews that agency's budget. If you have close ties to any of the agencies that your panel will be reviewing, please let us know before you leave today and we will reassign you to another panel where you can be more objective.

Subcommittees;

1. Soon your panel chairman will be making subcommittee assignments. Each of you will be assigned to one of the agencies on your panel. You will serve on this subcommittee with four or five other panel members.
2. Each subcommittee will have a chairman whose responsibility it is to coordinate and arrange site visits to your agency.
3. Between now and the middle of November each subcommittee will be expected to have completed Site Visit #1. This visit will focus on the program services your agency provides. In the beginning of 1979 your sub panel will be responsible for Site Visit #2. This visit will focus on the fiscal aspects of the agency. Therefore, the information you gather at both visits will be vital to your decision making in allocating funds to the agencies in your panel.
4. The planning staff will provide you with guidelines for your agency visits later in this meeting. The "Suggested Visit Guide" is only a guide to help you get a handle on your agency. Probe and question -- visit programs in progress -- get informed. This guide is by no means all inclusive.

5. Hopefully, today we will determine the date and time for your first site visit. The subcommittee chairman will notify United Fund staff as to when visits are planned so that, if possible, staff can assist the subcommittee.
6. Your particular agency is your prime responsibility, however, if it is possible to visit and become familiar with all the agencies within your panel, you will be that much better informed and able to assist your panel in their deliberations. Notices will be sent to you of all the scheduled visits to agencies within your panel, and if you want to join other subcommittees -- great.

Budget Review - "New Programs" Member Agencies

1. As you will note on your calendar, agencies will prepare Budget Requests for new programs November 10, 1978.
2. If your agency is one who will be submitting a new program Budget Request, you will receive that budget and review the program in January/February of 1979.
3. Final decisions on new programs will be made in May in the context of the agency's overall budget and in light of other possible similar new programs from other sources.
4. You will be notified well in advance of your subpanel hearing.

Budget Review - Total 79/80 Agency Budget

1. In March each panel will meet with their total committee for a pre-budget meeting.
2. At that meeting, each subcommittee will report its findings to the total panel.
3. Dates will be set as soon as possible for all meetings and you will be notified.
4. Also at that meeting, the panel will receive a booklet like this. It will contain:
 - A. The 1979/80 Proposed Budget for your agencies.
 - B. United Fund staff comments concerning the Proposed Budget.
 - C. Audited Financial Statements for the agencies.
 - D. A management letter from the auditors.
 - E. What ever service statistics that are available.

5. You will have approximately three weeks from the time you meet to take this booklet home and study and scrutinize it in the light of the figures on the pages and the knowledge you have gained from your and your fellow members agency visits and information they have obtained.

Budget Hearings:

1. We will send you a schedule of the dates and times of your actual budget hearings in April/May 1979. Please mark them on your calendar and keep the times clear because all of your prior work is for nothing if you don't attend the hearings. Your presence is what makes the system work.
2. Each panel member will be expected to attend three meetings in April/May 1979. Each meeting will last between three to five hours.
3. At the first two half day meetings each of your agencies, in turn, will appear before you to make a presentation to justify their 1979/80 Budget Allocation Request.
4. In that same week on the third half day, your panel will meet to deliberate and develop their recommendations for what the 1979 allocations should be for each of your agencies.

Allocations Committee:

1. After this meeting your chairman and vice chairman will take your panel recommendations to the Allocations Committee. The Allocations Committee is made up of 21 members; the nine chairmen and vice chairmen from panels; Barbara Falik, chairman, John Spangler, vice chairman; and Robert Parish as member at large.
2. Allocations Committee will spend two days thrashing out the panel recommendations in the light of the actual funds available. Some adjustment may be made at this point in order to serve the total of all the agencies.

P.A.I.R. - Executive Committees:

1. After the Allocations Committee have completed their recommendations, my vice chairman and I will take them to the P.A.I.R. Committee. P.A.I.R. is made up of a chairman, Lasker Meyer, and the chairman and vice chairman of Planning, Allocations and Information, and Referrals Committees.

2. When the recommendations have been approved by the P.A.I.R. Committee, Lasker Meyer will present them to the Executive Committee for final approval.
3. Immediately afterwards agencies are notified of their allocations by mail and must submit a revised budget showing how they will operate within their allocation. Letters should be to the agencies by the first week of June. The funding cycle begins July 1, 1979. Revised budget deadline has not been established for this new cycle.

United Fund

P. O. Box 13668, Houston, Texas 77019
1010 Waugh Drive 529-5913

MEMORANDUM

August 11, 1978

TO: Agency Executives
FROM: Al Mendez
SUBJECT: CALENDAR FOR 1978/1979

For your light entertainment, this communication is an explanation of the Allocations Calendar of Events for the rest of this year and through July 2, 1979.

September 4, 1978 through September 15, 1978 - TWO WEEKS

ALLOCATIONS PANEL VOLUNTEER ORIENTATION

We are currently at work assigning new volunteers to panels and filling chair/vice chair vacancies. At some point during the time designated, we will invite all these folks to our offices to discuss the United Way in general, Allocations specifically and thier volunteer duties, responsibilities and panel assignments. We hope to have your respective lists of panelists to you soon. You may put them on your mailing list, write welcoming letters, invite them to specific functions and meetings, as many of you have indicated you like to do in order to try to involve these people with your agency. While the volunteers are at orientation we will try to arrange site visit schedules which will be discussed next.

September 18, through November 17, 1978 - NINE WEEKS

AGENCY SITE VISIT #1

The volunteers will be prepared for this site visit at orientation with a general overview of the agencies and specific information as to viewing an agency in terms of the services it provides. If at all possible, we will try to pass the orientation information on to you before the agency visit so you can fill in blanks with your own "Dog and Pony Show." IMPORTANT: If you have any times during this nine weeks when you will not be available for a visit, please give Elizabeth a call so that we can schedule visits more at your convenience. Example: October will be difficult for Jewish Community Center because of Jewish holidays coming weekly.

September 11 through November 10, 1978 - NINE WEEKS

AGENCY PREPARATION OF NEW PROGRAM BUD-
GET FORMS

At first glance this seems an odd way of going about things. However, there is merit in breaking the new programs out of the regular Budget Package. In the first place, the blanks for new programs forms will be ready by September (hopefully) and the full blown 79/80 budget forms will not be ready til later. Secondly, the U.F. Planning staff must do needs assessment of all new programs and must dove-tail this research with their assessment of New Admissions and Grantees because the Allocations Committee will assume the responsibility of funding New Admissions and Grantees beginning this year. Also, as happens with new programs, additional information is sometimes needed and this time frame allows for gathering the information in an orderly fashion. Though the Panels will review new programs in January/February, 1979 decisions concerning new programs will be made in May in the framework of the total 79/80 budget.

November 15 through December 29, 1978 - SEVEN WEEKS

ALLOCATIONS STAFF--ASSESSMENT OF NEW PROGRAMS
PLANNING STAFF--NEEDS ASSESSMENT & REVIEW AND
COMMENT

Pretty self explanatory. If additional information is required, there is time to have the agency respond during this time frame.

December 18, 1978 through February 23, 1979 - TEN WEEKS

AGENCY COMPLETION OF 1979/80 BUDGET FORMS

We expect to have the "new and improved" blank budget form for Proposed 79/80 for the agencies by December 18, 1978. You will have ten weeks to fill them out and return them by February 23, 1980. For each day that they are late, staff will recommend deducting \$10,000 from the requested allocation. Not really, but we do expect the deadline will be observed.

January 22 through March 16, 1979 - EIGHT WEEKS

AGENCY SITE VISIT #2

This second agency visit is primarily a time for the volunteers to learn about the agency and its fiscal needs. The 79/80 budget will be in its preparation stage during this time. Just as we arranged site visit #1, schedules for this visit will be planned ahead of time.

MEMO
Page 3
August 11, 1978

February 19 through March 23, 1980 - FIVE WEEKS

ALLOCATIONS STAFF--ANALYSIS OF 79/80 BUDGETS
PLANNING STAFF--ANALYSIS OF OBJECTIVES AND
PROGRAM INFORMATION

Self explanatory.

March 26 through March 30, 1979 - ONE WEEK

PRE-BUDGET PANEL MEETINGS

Budget packets will be given to the appropriate panel members during that week. Allowing the panelist time to familiarize themselves with the budgets in order to be prepared for the Panel Hearings.

April 23 through May 4, 1979 - TWO WEEKS

PANEL HEARINGS

Agencies and volunteers will be notified several weeks in advance as to the exact date and time their participation can be planned. We have been asked by some volunteers and Agency Directors to avoid the first two weeks of April hence the block of free time prior to the Hearing and the real crunch through May in order to provide approved Allocation information to the agencies by June 4. At this point, Allocation recommendation will be developed by Panels for the regular 79/80 Budget and for New Programs.

May 7 through May 18, 1979 - TWO WEEKS

Staff preparation of Allocation recommendations to the Allocation Committee. This allows time for the committee to review the recommendations.

May 22 and May 23

Allocations Committee will review all panel recommendations.

May 29

P.A.I.R. Committee Review of Allocation Committee Recommendations.

May 31

Executive Committee review of Allocation Committee Recommendations.

June 4

Agency notification of Allocations.

July 2

Allocation Cycle begins.

Further schedule of events will be determined in the months to come for Revised Budget due date and other events throughout the year.

We sincerely hope this Calendar will be of assistance in planning your very busy year. It is our hope that these dates are written in stone for your benefit as well as ours. If stone turns to water we'll let you know immediately.

Many thanks.

GLOSSARY OF TERMS

1. ACCRUAL BASIS

Recognizing financial transactions when they occur rather than when cash is received or disbursed.

2. ADMISSIONS AND NEW PROGRAMS

A process by which agencies are reviewed to determine whether the United Way should admit them as member agency, fund them as a grant agency or reject completely. Funding levels are also recommended.

3. AGENCY APPEAL

A process by which an Agency's requests change in their annual allocation on the following grounds: For example (a) the agency made an error in its presentation; (b) The Conference Panel clearly misunderstood the presentation; and (c) there has been a significant change in the agency's circumstances.

4. ALLOCATING

Allocating, as a function, means distribution of funds and other resources to other independent organizations. Although all formal organizations have budgeting as one of their functions, only a few (i.e., United Funds, foundations) have an allocation function.

5. ALLOCATIONS UNIT

Directs the process of determining how much each United Way member agency will receive and headed by a volunteer committee (Allocations Committee).

6. ALLOCATION HEARINGS

Special meetings held during a specific time during the year (usually April - May) to determine amounts.

7. AREA AGENCY ON AGING (A.A.A.)

A planning and coordinating agency responsible for developing a comprehensive plan for the provision of services to the aged in Harris County.

8. BENEFICIARY STUDY

A study being conducted by Research staff to assist in determining who is receiving services as well as with what companies they are employed.

9. BUDGET

A statement of financial position of an independent entity for a specified future period of time based on planned expenditures for that period and proposals for funding them.

10. BUDGETING

A systematic, calculative process through which budgets are created.

11. BUDGET REVIEW PANEL

Volunteers who are responsible for the review and determination of the amount of allocation an agency will receive. There are currently ten panels.

12. BUDGETS SUBMITTED TO ALLOCATIONS PANEL

- Proposed: A preliminary budget submitted to the Budget Review Panel in the fall of the previous year specifying projected program expenditures of the agency and the contemplated use of resources needed to accomplish such program objectives.
- Revised: A budget submitted early in the year stating the planned expenditures and anticipated revenue for the current calendar year. The revised budget is submitted after the United Way allocation has been determined.
- Actual/Estimate: A budget submitted in the early fall of the current year based on an actual accounting of the first six or seven months combined with an estimate for the remaining months of the calendar year.

13. CAMPAIGN

One of four divisions of UF which organizes and solicits funds for annual campaign. Headed by a committee with an extensive volunteer structure to carry out campaign activities.

14. CETA (Comprehensive Employment Training Act)

A two-year old federal employment program designed to provide jobs for the unemployed. The program is directed toward low-income individuals on public assistance or who have been unemployed for at least 15 weeks. This program has enabled private not-for-profit agencies to maintain and expand programs.

15. CRISIS HOTLINE

A 24-hour telephone crisis intervention services. Providing initial counseling and referring persons in severe distress. Services reach people with problems like suicide prevention, drug information, rape, venereal disease, etc. Volunteers who undergo extensive training, provide the staffing of the service.

16. DIRECTORY (The Directory of Community Resources and Services)

A publication of United Way which lists over 400 public and private non-profit agencies.

17. EVALUATION

A process by which agencies are analyzed on an in-depth basis to determine service effectiveness, effort, performance and efficiency. The Evaluation Committee of PEC is currently performing that function.

18. FINANCE AND ADMINISTRATION

One of four divisions of the United Way that reviews the financial statement, supervises internal controls, recommends and manages operating budget. Conduct United Fund audit; reviews agency audit.

19. FUNCTIONAL BUDGETING

Functional budgeting is the distribution of all revenue and expenditures to (1) the management and general function; (2) the fund raising function (if any); and (3) the separately identifiable programs operated by an agency. Within each of the functional categories, income and expenditures are reported by object or line item, as in the conventional system. However, the ultimate report distributes overhead costs (management and general and fund raising) among program costs in order to arrive at an accurate accounting of the total costs of all the agencies' programs.

20. GOVERNMENT RELATIONS

One of four divisions of UF to assist in keeping abreast of funding resources and funding changes in the public sector. Also will identify potential public sector funding sources for United Way agencies. Has committee structure.

21. ICP (Interagency Coordination Project)

A collaborative project on the part of 6 agencies - County, City, State, Regional Council of governments , UF and Community Action Agency designed to determine how these organizations can plan and management of social services.

22. I & R (Information and Referral)

A 24 hour service geared to direct persons with problems to the appropriate agency. This service is delivered under the direction of Information Services.

23. INFORMATION SERVICES UNIT

A unit of PAIR which is headed by a Volunteer Committee. Responsible for the overall direction of information services, Crisis Hotline, I & R, Referral Agent Program and the Directory.

24. MEMBER AGENCY

Those United Way agencies who have been admitted to the United Way through a formal admissions process. Membership usually connotes ongoing support from the United Way. There are presently 41 of these agencies.

25. NON-MEMBER OR GRANTEE AGENCIES

Agencies currently receiving funds from the United Way not admitted as member agencies. There are presently 7 of these agencies.

26. MONITORING PROCESS

Process by which agencies' program and fiscal objectives are reviewed on ongoing basis to insure objectives are being accomplished. Currently the Grantee Monitoring Committee performs this function as relates to non-member agencies.

27. PAIR (Planning, Allocations, Information and Research Committee)

One of four UF divisions headed by a Volunteer Committee (PAIR Committee).

28. PEC (Planning and Evaluation Committee)

Committee responsible for the conduct of planning and evaluation activities. Includes needs assessment, program planning, monitoring, evaluation.

29. PROGRAM FOR THE FUTURE

The program for the Future is a major effort on the part of United Way of America to strengthen the United Way movement in this country. Specifically, this national program seeks to increase the capability of United Way to support needed services and to strengthen its capacity to be a voluntary alternative to expanding government.

30. RAP (REFERRAL AGENT PROGRAM)

A program directed at business and industry which trains an employee representative to handle information and referral within their respective companies. United Way staff provide training.

31. RESEARCH

A staff line function of the PAIR division. Responsible to the Division Director with no committee structure. Responsible for the collection of information.

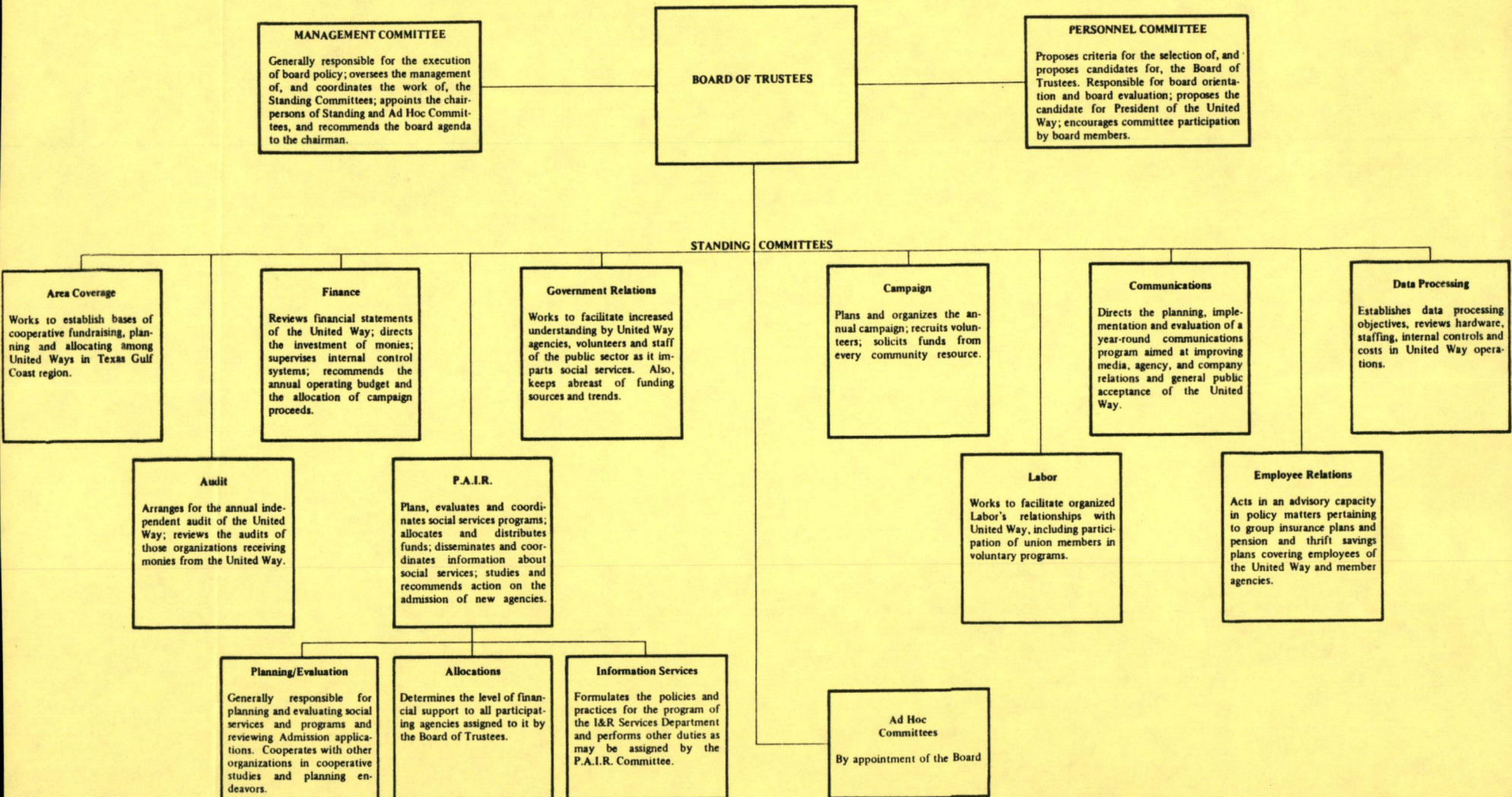
32. STANDARDS OF EXCELLENCE

A document published by the United Way of America that sets forth basic guidelines for local United Way organizations by which local leaders may measure their operations.

33. UWASIS (UNITED WAY OF AMERICA SERVICES IDENTIFICATION SYSTEM)

UWASIS is an achievement of the United Way of America which seeks to provide definitions within the framework of fundamental goals in the field of human services. UWASIS outlines: the basic social goals; the service systems which promote such goals; the specific services in such systems; the programs which perform such services; some elements of such programs and suggested program products.

UNITED WAY OF THE TEXAS GULF COAST VOLUNTEER ORGANIZATION 1982



AGENCY ALLOCATIONS REPORT
FOR
FISCAL YEAR 1982-1983
May 6, 1982

Approved by P.A.I.R.
5/19/82

MEMBER AGENCIES	1981-1982 Current Allocation	1982-1983 Requested Allocation	1982-1983 Allocation Recommendation	Incr/ (Decr)
American Social Health Assn.	20,000	36,850	25,000	25%
Big Brothers/Big Sisters of Houston	330,000	425,540 ^a	425,540 ^a	29%
Boy Scouts of America				
Harris/Ft. Bend Co.	918,478 ^b	1,035,160	1,008,030	10%
Montgomery Co.	25,950	33,190	32,320	25%
Camp Fire, Inc.	105,750	134,650	134,650 ^c	27%
Catholic Charities	579,822	706,456 ^d	706,456 ^d	21%
Center for the Retarded	763,410	983,342 ^e	983,342 ^e	29%
Cerebral Palsy Developmental				
Disabilities Treatment Center	494,296	629,200	494,296 ^f	-0-
Child Care Council	65,340	202,694	175,815 ^g	169%
Crisis Intervention	167,000	187,000	187,000	11%
DePelchin Faith Home	1,525,000	1,829,440	1,750,000	14%
Family Service Center	1,312,006	1,458,535	1,432,623 ^h	9%
Florence Crittenton Services	457,157	556,096	525,000	15%
Fort Bend Office of Early				
Childhood Development	175,459	212,314	216,914	23%
Girl Scouts of America				
Harris/Ft. Bend Co.	570,863	679,745	663,689	16%
Montgomery Co.	24,137	28,740	28,061	16%
Gulf Coast Legal Foundation	72,400	100,000	60,000	(16%)
Houston Area Urban League	232,600 ⁱ	500,500	375,000 ^j	61%
Houston Area Women's Center	95,000	278,606	183,000 ^k	92%
Houston Child Guidance Center	509,229	624,327 ^l	624,327 ^l	22%
Houston Metropolitan Ministries	220,877 ^m	255,477	255,477	15%
Houston Regional Council on Alcoholism				
Harris/	110,227	182,016	120,888 ⁿ	9%
Montgomery Co.	6,791	6,612	6,612	(2%)
Houston School for Deaf Children	186,466	212,454	186,641 ^o	-0-
Houston Urban Bunch	69,218	-0-		
Jewish Community Center	350,000	439,000	428,000	22%
Jewish Family Service	245,588	264,039	264,039	7%
Julia C. Hester House	290,676	321,309	332,309 ^p	14%
Lighthouse of Houston	315,481	359,432	359,432	14%
Media Consortium	36,756	42,467	42,467	15%
Mental Health Association	119,001 ^q	151,810	137,000	15%
Neighborhood Centers-Day Care Assn.	1,700,000	2,126,188 ^r	1,885,800 ^s	10%
New Directions Club, Inc.	202,700	222,000	222,000	9%
Salesmanship Club Camp	78,000	103,000	103,000 ^t	32%
Salvation Army	722,152	836,730	800,230 ^u	10%
San Jose Clinic	386,885	361,919	361,919	(6%)
Sheltering Arms	1,003,000	1,140,215	1,113,330	11%
Sickle Cell Foundation	142,000	235,900	242,797 ^v	70%
Speech & Hearing Institute	367,682	346,394	350,000 ^w	(5%)
Star of Hope Mission	275,796 ^x	552,991 ^y	330,815 ^z	19%
Texas Council on Crime & Delinquency	33,000	50,000	50,000	51%
Traveler's Aid Society	553,000	715,570	635,950	15%
USO - National	44,000	102,867	50,000	13%
VGS, Inc.	617,000 ^{aa}	746,235 ^{aa}	746,235 ^{aa}	20%
Visiting Nurse Association	632,391	717,878	685,878	8%
Voluntary Action Center	84,000	124,505	100,000	19%
Volunteers of America	178,040 ^{bb}	191,945	191,945 ^{cc}	7%
Wesley Community Center	119,250	160,102	145,260	22%
YMCA				
Harris/Ft. Bend Co.	948,892	1,095,037	1,069,717	13%
Montgomery Co.	40,395	49,317	48,177	19%
YMCA				
Harris/Ft. Bend Co.	934,808	1,080,834	979,414 ^{dd}	5%
Montgomery Co.	27,236	25,516	25,516 ^{dd}	(6%)
SUBTOTAL	19,485,205	23,862,144	22,301,911	14%

	1981-1982 Current Allocation	1982-1983 Requested Allocation	1982-1983 Allocation Recommendation	Incr/ (Decr)
<u>Non-Member Affiliate Agencies</u>				
Bay Area Committee on Drug and Alcohol Abuse	52,166 ^{ee}	78,290	57,382	9%
Baytown Opportunity Center	51,477	59,179	59,179 ^{vv}	14%
Chicano Training Center	225,000 ^{ff}	250,684	40,029 ^{gg}	(82%)
Children's Educational & Devel. Center	43,400	143,293	114,635 ^{hh}	164%
Recovery Center	50,000	55,000	75,000 ⁱⁱ	50%
Spaulding Southwest	35,075	80,106	40,000	14%
SUBTOTAL	457,118	666,552	386,225	(15%)
<u>New Member Agencies</u>				
Ft. Bend Regional Council on Alcoholism and Drug Abuse	25,700	40,304	37,000 ^{jj}	44%
SUBTOTAL	25,700	40,304	37,000	-0-
<u>Provisional Agencies (third year)</u>				
FamilyTime Foundation	27,500	37,732	20,000 ^{kk}	(27%)
Juvenile Court Volunteers	40,000	38,000	42,000	5%
Youth Opportunities Unlimited	70,000	90,347	72,347 ^{ll}	3%
SUBTOTAL	137,500	166,079	134,347	2%
<u>Provisional Agencies (second year)</u>				
Bay Area Rehabilitation Center	75,000	80,000	75,000 ^{mm}	-0-
Ft. Bend Planning and Service Org.	17,000	41,400	27,500 ⁿⁿ	62%
Hear-Say	20,000	38,000	29,000 ^{oo}	45%
Senior Citizens Center	30,057	126,113	30,000	-0-
Women's Christian Home	48,000	114,376	60,000	25%
SUBTOTAL	190,057	399,889	221,500	17%
<u>Provisional Agencies (first year)</u>				
The Bridge Over Troubled Waters	-0-	50,576	25,000 ^{pp}	
Casa de Amigos Community Center	-0-	92,871	92,000 ^{qq}	
SUBTOTAL	-0-	143,447	117,000	100%
<u>Agencies Not Recommended for Funding</u>				
Children's Resource and Info. Service	-0-	49,500		
Golden Age Hobby House	-0-	50,000		
Gulf Coast Community Service Assn.	-0-	152,590		
Palmer Drug Abuse Program	-0-	40,000		
Stroke Groups of Houston	-0-	47,801		
SUBTOTAL	-0-	339,891		

Montgomery County United Way
Member Agencies

Montgomery County Youth Services	\$ 14,000	\$ 25,000	\$ 19,000	79%
Metropolitan Day Care	4,500	5,000	5,000	11%
Montgomery County Center for the Retarded	38,000	44,000	44,000	16%
Salvation Army	5,000	20,000	(rr)12,000	140%
Montgomery County Crisis Action Line	6,000	20,000	14,000	133%
Visiting Nurse Association	37,000	50,000	50,000	35%
Montgomery County Committee on Aging	9,000	12,500	12,000	33%
Emergency Assistance Association	22,500	43,500	33,500	49%
Sub Total Member Agencies	<u>\$136,000</u>	<u>\$220,000</u>	<u>\$189,500</u>	<u>39%</u>

Social Service Centers -Montgomery County

Montgomery County Service Center - South	\$ 54,325	\$ 61,326	\$ 61,326	13%
Montgomery County Service Center - North	-0-	35,000	35,000	100%
Sub Total Service Centers	<u>\$ 54,325</u>	<u>\$ 96,326</u>	<u>\$ 96,326</u>	<u>77%</u>

Service Centers Component Agencies

Family Service Center	\$ 43,308	\$ 53,926	\$ 50,926	18%
Voluntary Action center	15,187	23,177	21,177	39%
Big Brothers/Big Sisters	17,437	20,708	19,708	13%
Information & Referral-Interfaith	29,718	32,244	31,464	6%
YWCA	35,932	48,185	(ss)46,185	29%
Sub Total Component Agencies	<u>\$141,582</u>	<u>\$178,240</u>	<u>\$169,460</u>	<u>20%</u>

Total Montgomery County	\$331,907	\$494,566	\$455,286	37%
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United Way of the Texas Gulf Coast
Service Centers

Bay Area Service Center	\$102,843	102,843	(tt)102,843
Fort Bend Service Center	86,208	86,208	(uu) 86,208
U.W. Service Centers Sub Total	<u>\$189,051</u>	<u>\$189,051</u>	<u>\$189,051</u>

Other Allocations

<u>Emergency Reserve</u>			\$ 1,280,000
Executive Management Institute	\$ 10,000	\$ 10,000	\$ 10,000 -0%
Sub total Other Allocations			<u>\$ 1,290,000</u>

GRAND TOTAL	\$20,826,538	\$26,311,923	\$25,132,320
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Agency Allocations
1982/1983

FOOTNOTES

a-	Big Brothers/Big Sisters	Includes one-year grant of \$57,260 for new program.
b-	Boy Scouts	Includes supplemental allocation of \$15,428
c-	Campfire	Includes \$20,000 in unallocated reserve pending clarification of occupancy expenses for new office building.
d-	Catholic Charities	Includes \$90,550 for Friendly Visitor Program (New to United Way)
e-	Center for Retarded	Includes \$26,576 for new program
f-	Cerebral Palsy Treatment Center	Total allocation held in unallocated reserve. Agency on probation
g-	Child Care Council	Includes \$12,000 for 81-82 audit to be placed in unallocated reserve and a \$50,750 to be held in unallocated reserve to cover pension costs for day care workers.
h-	Family Service Center	\$20,000 to be held in unallocated reserve for 1981/82 audit.
i-	Houston Area Urban League	Includes a \$4,600 supplemental allocation for temporary accounting assistance.
j-	Houston Area Urban League	Total allocation held in unallocated reserve.
k-	Houston Area Womens Center	Includes \$55,000 for the Rape Crisis Program (New to United Way Support).
l-	Houston Child Guidance	Includes \$53,334 for the new Therapeutic Day care program.
m-	Houston Metropolitan Ministries	Includes a \$7,500 one-time supplemental allocation for the family Connection program.
n-	H. Regional Council on Alcoholism	Includes \$12,250 held in unallocated reserve for the second six months, pending a mid year review of the DWI program.
o-	Houston School for Deaf	Allocation represents the final phase out of united Way support for the Education program (3 yrs. and above).
p-	Hester House	Includes \$13,500 in unallocated reserve for agency's fiscal 1981 audit expense.
q-	Mental Health Association	Includes a \$3,150 supplemental allocation of underbudgeted items.
r-	NC-DCA	Includes \$36,048 for new programs, (Alliance for Better Child Care (ABC).
s-	NC-DCA	Includes \$72,954 held in unallocated reserve for 75 additional day care slots. New programs denied.
t-	Salesmanship Club	Includes \$29,000 held in unallocated reserve pending clarification of agency's need for new administrative support.
u-	Salvation Army	Represents no allocation to the Harbor Light program.
v-	Sickle Cell Research	Includes a \$70,000 one time <u>(in unallocated reserve)</u> , one year matching grant at one to one and one half (1-1 1/2).
w-	Speech & Hearing Institute	Fourteen month allocation. Includes \$99,750 in unallocated reserve restricted for the Outreach program to be released on a purchase of service basis.
x-	Star of Hope Mission	Includes \$49,349 held in unallocated reserve for approved expansion of the Mission in 1981F budget.
y-	Star of Hope Mission	Includes \$159,492 requested for new 3/4 Way house program.
z-	Star of Hope Mission	Represents no funding for 3/4 Way house program. Allocation includes \$71,058 held in unallocated reserve for the Mission expansion. The previously held amount of \$49,349 in unallocated reserve will revert to the United Way reserves on June 30, 1982. The full allocation is to be used as follows: \$116,000 for the Ranch Rehabilitation program and \$214,815 for the Mission program.

aa- VGS	Includes \$30,000 for repayment of United Way loan. Initial allocation was \$89,020 for first six months, agency placed on probation. Agency met conditions and supplemental allocation of \$89,020 was granted for an additional six months. Allocation was divided as follows: Rogers Street \$52,780; School Clothing program \$125,260. Allocation approved as follows: \$65,011 for Rogers Street and \$126,934 for the School Clothing program.
bb- VOA	
cc- VOA	Total allocation held in unallocated reserve pending agency compliance with conditions set down by budget panel.
dd- YWCA	Includes a \$1,750 supplemental allocation for audit costs.
ee- BAODDA	Allocation divided: \$125,000 for La Clinica and \$100,000 for MAYA.
ff- CTC	La Clinica program on probation as of July 1, 1982. Allocation represents six months funding. MAYA program defunded as of June 30, 1982. Up to \$70,000 will be placed in emergency reserve for continuation of La Clinica for the remaining six months if the conditions of probation are met.
gg- CTC	Total allocation held in unallocated reserve pending agency submission of 1979F and 1981F audits.
hh- CEDC	Includes \$20,000 for one time allocation to be used as follows: \$2,500 for the 1981F Audit, \$12,800 for major building repairs, continued purchase of psychological services from TELOS, and staff salary increases.
ii- Recovery Center	Funding for the Public Education program only. Total allocation held in unallocated reserve. Funding is for the Counseling and Education programs only, to be released quarterly through 6/30/83 when United Way support will be terminated.
jj- Fort Bend Regional Council	Funding is for the general agency deficit.
kk- Family Time	\$67,347 as the base allocation and up to \$5,000 (held in unallocated reserve) is a one for one match.
ll- YOU	Funding on a purchase of service contract basis. To be held entirely in unallocated reserve.
mm- Bay Area Rehabilitation	<u>\$15,000</u> is the base allocation for the agency's general deficit. Up to <u>\$12,500 (held in unallocated reserve)</u> for matching funding dollar for dollar basis.
nn- Fort Bend Planning and Service Organization	Funding for an Executive Director and up to \$5,000 (held in unallocated reserve) in matching funds at a rate of 33¢ U.W. to each agency dollar.
oo- Hear Say	Funding for the shelter program only.
pp- Bridge	Funding for the drug treatment program only.
qq- Casa De Amigos	Funding contingent upon agency working towards a merger with the Houston City Command.
rr- Salvation Army	Funding contingent upon the Steering Committee being satisfied on program operations.
ss- YWCA	Includes \$25,625 placed in unallocated reserve for future space and equipment needs.
tt- Bay Area Service Center	Includes \$15,500 placed in unallocated reserve for future space and equipment needs.
uu- Fort Bend Service Center	Entire allocation in unallocated reserve to be released on a purchase of service basis.
vv- Baytown Opportunity Center	

DRAFT

SUMMARY REPORT OF THE LONG RANGE PLANNING COMMITTEE
BOARD OF TRUSTEES
UNITED WAY OF THE TEXAS GULF COAST

February, 1982

LONG RANGE PLANNING COMMITTEE
UNITED WAY OF THE TEXAS GULF COAST

John W. Anderson, Chairman
Vice President-Customer Services
Southwestern Bell Telephone Company

Solomon M. Brownstein
Executive Director
Jewish Family Service

George Crosby
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First City Bancorporation

Delores Dodd
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City of Houston Health Department

Fernando Galan, Ph.D.
Assistant Dean-Graduate School of
Social Work
University of Houston

Malcolm S. Host
Executive Director
Neighborhood Centers-Day Care Association

Howard Martin
Director, Research Division
Houston Chamber of Commerce

Dick Mullineaux, Ph.D.
General Manager-Health, Safety
& Environmental Support
Shell Oil Company

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University of Houston at
Clear Lake City

Stewart Orton
Chairman of the Board
Foley's

Isabel Wilson
Community Volunteer

Staff:

Frank A. Cleaver, Executive Director
A.M. Wilder, Associate Executive Director, P.A.I.R. Division
Rogene Gee Calvert, Research Manager
Sylvia Brooks, Planning Manager
Barbara Duke, Assistant Director, Government Relations
Claretha Fennick, Planning Associate
Ed Henderson, Research Associate
Bernadette Porter, Planning Associate
Mary Wilson, Planning Associate

SUMMARY REPORT
OF THE
LONG RANGE PLANNING COMMITTEE

February, 1982

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SUMMARY REPORT OF THE LONG RANGE PLANNING COMMITTEE
BOARD OF TRUSTEES
UNITED WAY OF THE TEXAS GULF COAST

CHAPTER I - FEASIBILITY STUDY

Authorization

Taken from the Board of Trustees Meeting Minutes of November 21, 1979, was the following discussion and action. Mr. Frank Cleaver, Executive Director, reported that he and Mr. John Morley, President, had recently attended a meeting of volunteers and staff of the twenty-eight largest United Way organizations in the country.

Comments at that meeting promoted lengthy discussions between Mr. Morley and himself regarding the future of both the United Way in Houston and our member agencies. They agreed that we must act now to plan for critical future developments which will affect every aspect of our operation. In other words, we must effect long range planning.

Four key assumptions point out this need: our area will continue to experience rapid population growth and high inflation; government funding of voluntary social services will not increase, and in all likelihood will be redirected; fund raising will become more difficult as employees struggle with the effects of inflation; and, we will continue to have a large number of agencies apply for admission while our present member agencies will require an increase in funding that will strain our resources.

Mr. Cleaver added that these assumptions have already prompted certain steps taken during the past year. Population growth and suburban spread are being countered by development of more outlying social service centers, such as the one we now have in Fort Bend County and the Clear Lake Area. The new Government Relations Division, headed by Al Henry, has provided our recognition and involvement in government affairs. The campaign organization has begun to effectively broaden the base of giving. Finally, the PAIR Division has enacted several sophisticated research, planning, evaluation and funding techniques to better assess and meet community needs.

All of these activities are independent responses to the assumptions stated above. But they are not part of an overall plan.

Mr. Cleaver proposed that the President be authorized to appoint a special committee with a two-phase charge. In the first phase the committee should address the following questions: What is long range planning and how do we apply it to our United Way; and what process should be used in carrying out

the most efficient and effective long range planning process. A Feasibility Study Committee was authorized by the Board and consisted of the following members: Robert Parish, G. Montgomery Mitchell, Imogen Papadopoulos, Carolyn Randall, John Morley and William Roher. They began their deliberation in December, 1979.

Focus

Two series of meetings of the Long Range Planning Feasibility Committee took place in early 1980. From those meetings of the Committee itself, meetings of the Committee with United Way Operational Committees, and a meeting with United Way Agencies came the following material.

The initial critical corporate concerns were defined as follows: increasing campaign effectiveness, communications with constituencies, responsiveness to changing community needs, evaluating the effectiveness of United Way funding, and relationships with other human service funders. Other concerns expressed included inflation, population growth, governmental funding, attitudinal changes in giving, and development of the voluntary sector.

The Committee defined Long Range Planning as a systematic way of evaluating the total environment, depicting the alternatives, and selecting the best course of action. They determined the focus should be on the United Way corporation itself and should recognize external components that affect the United Way system.

Findings and Recommendations

The Feasibility Study Committee made its report to the Board of Trustees on August 20, 1980. From the report, which is dated August 7th and available to the reader, came the following two extensive recommendations:

- A. The appointment of a Long Range Planning Committee.
 - a. The Committee should be headed by a member of the Board of Trustees and including in its membership a representative of the Campaign, Communications, Planning /Evaluation, Allocations, Government Relations and any other committees as deemed appropriate. Others invited to serve should include representative(s) from our participating agencies and persons with a broad range of experience in the United Way.
 - b. The Committee should be given the responsibility for the initiation of the long range planning process under the guidance of the Board of Trustees, including the refinement of critical issues and development of program objectives that the United Way should initiate to deal with such issues. Also, the Committee should be responsible for recommending such organizational changes as necessary to maintain the long range planning process as an integral part of our organization.

- c. The Committee should be authorized to come back to the Board for approval to allocate such funds as are necessary to carry out this process.
- B. The Process should be divided into the following phases and action steps.
 - a. Phase I - Board approval of Feasibility Committee's recommendations
 - b. Phase II - Creation of Long-Range Planning Committee; Development of Planning Process with Schedule of activities
 - c. Phase III - Implementation of activities necessary for the development of: Role and Mission Statement; Critical Issues and Long-range Objectives for each Dept./Division.
 - d. Phase IV - Review and evaluation of process and plan; Necessary revisions and reimplementation
 - e. Repeat Phase IV according to a scheduled plan each year

Board of Trustees Action

The Board of Trustees accepted and approved the Feasibility Committee Report at its meeting on August 20, 1980, and authorized the appointment of a Long Range Planning Committee.

CHAPTER II - LONG RANGE PLANNING PROCESS

United Way of America Consultation

Following the action of the Board of Trustees, Mr. John Morley, immediate Past President of the Board, was appointed Chairman of the Long Range Planning Committee. One of his first acts was to request that the Executive Director set up a meeting with a Senior Staff person from the United Way of America, in order to fully explore what other communities and United Way Ways had done in long range planning.

In October 10, 1980, such a meeting was held. From that meeting came discussions and decisions about the process to be followed here in Houston. Geneva Johnson, the consultant from the United Way of America, later met with other volunteers who were selected to form the nucleus of the Board Committee.

Committee Scope and Deliberations

1. The Long Range Planning Committee should acknowledge and endorse current ongoing planning efforts that embody and address many of the short-range issues raised in the Feasibility Committee's report. Issues of a long-range nature should result again through the scanning process and appear in another format.
2. The scope of the Long Range Planning Committee will extend past 3 years. The general direction will not be in planning as much as it will be in scanning the environments in which the United Way of the Gulf Coast finds itself and hypothesizing conditions that might exist 5-10 years down the road.
3. The Long Range Planning Committee would look at two environments from which it would develop scans:
 - a. Macro Environment - includes external factors affecting the United Way such as demographics, economics, politics, societal values and technology.
 - b. Micro Environment - includes factors affecting the philanthropic, non-profit, voluntary charitable movement.

From the completed scans, the Long Range Planning Committee will identify a series of key strategy issues based on the following criteria:

- a. The Probability of it developing into a major issue.
- b. The Impact it will have on the United Way.
- c. The Time Frame for it maturing into significance.

There were three charts used as a part of the committee deliberations. These can be found in the appendix. The first page illustrates the Long Range Planning Process to be followed here in Houston. The second illustration shows some of the key implications for the United Way as inferred by the United Way of America Environmental Scan Task Force. Shortly after the November meeting, Mr. John Morley was transferred to Cleveland, Ohio, and had to resign as Chairman of the Long Range Planning Committee.

The Committee appointed in late January, 1981 along with its new Chairman, John Anderson, met regularly in the early months of 1981, including the following one. On March 27, 1981, the full Committee met with representatives of the operating Departments and Divisions of the United Way of the Texas Gulf Coast. Each unit addressed two points: what were their concerns and problems now; and, what did they identify as the critical issues and problems five years from now in their specific areas of function and responsibility. The presented material was lengthy and therefore is not included in this report. It is available from each Department and/or Division if the reader desires.

Role and Mission Achievement

At a meeting of the Committee of June 21, there was considerable discussion regarding a role and mission statement. Ultimately, the following statement was adopted by the Committee on a tentative basis, with the intent to review it again toward the end of the Committee's work.

"The United Way is an efficient voluntary system of raising and allocating charitable contributions for the provision of effective human services in the community."

Achievement of this role and mission can best be obtained if the following added values are present:

- a. Consistently funding highest priority needs that are best served by the private sector across all segments of Houston area society;
- b. Providing centralized support for agencies to enable them to enhance their efficiency and effectiveness in those areas where centralization is cost effective;
- c. Ensuring against misuse of funds;
- d. Funding programs to meet changing needs with minimum lag time while also minimizing disruptions resulting from such changes;

- e. Encouraging and selectively sponsoring new programs and new service delivery systems within United Way agencies to satisfy unmet needs and selectively admitting non-affiliated agencies to meet needs not met by current United Way agencies;
- f. Developing effective formal and informal relationships with neighboring United Way organizations to maximize overall United Way contribution in Houston area;
- g. Interacting with governmental bodies to obtain and/or maintain a regulatory framework within which private social service delivery can be effective;
- h. Interacting with other social service delivery agencies, public and private, in efforts to mediate conflicts and maximize complementary and minimize competitive actions, and
- i. Enhancing fund raising capacity and efficiency.

Technical Planning

In early summer, the Committee formulated a technical plan. The plan established the need for certain information prior to formulating specific actions: describe the kind of community United Way will serve in the future; identify problem areas of the community in the future; and, assess United Way capabilities for adjusting to conditions as they may be five to ten years in the future.

The type of projections seen as necessary were economic, political, technological and social characteristics. The Committee agreed to break into four sub-groups to give specific attention to trend lines in these four areas. The Chairman directed that assigned United Way staff begin gathering the hard data for the sub-groups, and a presentation by each group be made to the Committee in the fall. The kinds and types of data collection used were numerous, and are available to the reader.

On October 22, 1981, each of the four sub-groups made the "Trends" presentation to the full Committee. Those reports are of some length, therefore, not included in this final report, but are available to the reader in the transcribed form.

Following the presentations and discussion, the Chairman asked that each group prepare a summary paper for each respective area that shows the following: trends, assumptions, and implication and issues for the United Way.

One of the more interesting discussions in the October meeting revolved around the role of the United Way in allocating funds. Several conclusions are worth reporting: United Way must quantify the services that are delivered, including the unit costs, as it seeks increased support from the business community; United Way should be

careful, though, to not let quantification completely override quality of service; the United Way and its funded services and programs should be approached as a system and not just a set of agencies; and, the United Way needs to assume leadership in redefining service delivery, including the service linkage between agencies.

The brief papers on trends, assumptions, implications and issues were mailed to the Committee and then discussed at a full Committee meeting on December 10, 1981. Emerging trends seemed to transcend all four areas and formulate the basis for the Critical Issues that follow. These papers can be found in the appendix.

CHAPTER III - FINDINGS AND RECOMMENDATIONS

Critical Issues

*Population growth and shifts in the population locations within the Greater Houston area will create greater needs for human services.

Metropolitan Houston's population has grown consistently at about 3.6% per year while the U.S. averaged only 1.4%. Most of the region's growth occurred in urban areas. Montgomery County is the fastest growing county in the region experiencing an increase of 160% in population and 171% in housing between 1970 and 1980. Fort Bend County is the second fastest growing with 150% increase in population and 187% in housing.

While adjacent counties to the North and Southwest of Houston show tremendous gains in population, so do unincorporated areas in all quadrants of Harris County, indicating continued development of the suburbs.

Economic trends indicate continued prosperity and productivity in this area for the next few years, guaranteeing a steady population growth as well.

*Population mix and change will necessitate a coordinated human service delivery system between the private and public sectors.

The racial and ethnic makeup of this region and particularly in the City of Houston is undergoing dramatic changes. There was an overall increase of almost one million people from 1970 to 1980. With that dramatic jump came a leveling among the various ethnic populations and a mass in-migration of people. Large numbers of northerners resettled in the Greater Houston area. Another large in-migration came from Mexicans, Asians, Haitians, Cubans, and other refugees. The number of languages spoken daily rose to twenty-seven in the 1970's.

The multiplicity of cultures and their expectations involved in these changes will put significant stresses on all human services delivery systems in such manner that will need to satisfy the relative importance of the divergent needs.

*Societal changes, which affect Houston as well as other cities, will necessitate also a coordinated human service delivery system between the private and public sectors, especially for target groups of youth (15-24 years of age), the elderly and the single parent families.

Societal trends show that juvenile crimes between 1976 and 1979 increased by 21%. For the 15-24 year age group, accidents, homicides and suicides were the 3 leading causes of death and mental illness the 4th leading cause for hospitalizations. The need for mental health services in 1980 was five times greater than in 1977 with in- and outpatient services for youth the least available.

For the city, county and Houston region, the highest distribution of population by age is in the 0-18; 25-34 and 50 and over age groups. While regional/county populations of elderly are projected to double, their percentage of distribution will remain constant because of a proportionate increase in the younger age groups. Statistics show that older people tend to reside in the more urban areas. Over one-fifth of the elderly 65 years and over in Harris County are below the poverty level and 39% in the 12-county area surrounding Harris County are below the poverty level. Contrary to most beliefs, the majority of the elderly are not institutionalized and the state had placed greater emphasis on maintaining the elderly in their homes.

National projections indicate that over one-third of all married persons who are now between the ages of 25-35 will divorce. In 1979 one-third of all divorces in Texas were in Houston and it is projected that that figure will reach 40% in the next three years. Nationally, there are 15 million single parent families. Looked at another way, one out of every five children live in a single parent family home. Half of the divorces in Houston and Harris County in 1978 involved children. Harris County statistics show that 50% of all juvenile offenders come from separated, divorced or abandoned parent families.

20 *Technological advancements will significantly affect the makeup of the work force, causing increased needs for specialized vocational training.

Technological trends show that increased automation and other advancements in technology will reduce the need for unskilled entry-level jobs and increase the need for skill requirements at all levels with an emphasis on continued career retraining and updating. This will mean that opportunities could open up to persons in "dead end" jobs for learning new skills, but, at the same time, requiring the motivation from them to take advantage of these opportunities. Both motivational and training opportunities must exist. For example, as the number of women entering the job market escalates and the demand for service oriented/technical skilled labor increases, the need for vocational guidance services, remedial and technical education over post-secondary is expected to also increase.

In the Houston region, both medical and health services as well as engineering and architectural services are growing more than twice as fast as total employment.

*Highly skilled technical workers will have increased leisure time, education and resources.

Economic trends show that almost a third of the Houston region's employment growth is in the professional and managerial occupation which are typically the best compensated. From 1970-1979, average household income after taxes, here, rose 134%, leading the major metros with 1.5 million or more people.

In 1979, Houston ranked 10th in per capita income with per capita income 21.5% above the national average. The growth rate during this period was highest among the major metro areas.

In-migrants to Houston are disproportionately young singles and young childless couples. These are prime candidates for employment. Hence, the incidence of multiple wage earners in a single household will continue to grow as both spouses are (or will be) working.

Technological trends indicate that automation will increase productivity in the long run, which will in turn, increase real wealth. To the employee, this could mean increased personal wealth or decreased working hours to produce that level of wealth, the latter being the more probable.

*The increasing number of women entering the work force will continue to change the lifestyles and needs of this group.

The number of working mothers has increased more than tenfold since the period immediately preceding World War II, while the number of working women more than tripled. Fifty-three percent (53%) of all mothers with children under 18 years (16.1 million) were in the labor force in 1978. In April 1978, about 40% of all the people employed in Texas were women, while national statistics were at 42%.

Women are more likely now to postpone childbearing and concentrate on their careers but once they do have children, they are also more likely to remain in the labor force, many because of economic reasons. Nationally, nearly two-thirds of all women in the labor force were single, widowed, divorced, or separated, or had husbands whose earnings were less than \$10,000 (in 1977).

*The combination of in-migration and changing job skills requirements will create a larger group of individuals who are unemployed and/or unemployable, with a resulting need for human services.

Technological trends show that automation will lead to selective unemployment beyond entry-level jobs due to displacement, which will impact minorities and women in the work force since many of the jobs affected have been held traditionally by these groups. Retraining will be required, along with the supportive services to help maintain them as they are getting job-ready.

*Increased use of automation will vastly change the work place and work patterns and, when coupled with the increased communications advances, will significantly affect both fundraising and service delivery.

Shifts in the kinds of jobs available and types of personnel required will produce changes in organizational structure, decision-making and management practices. A more skilled labor force results in a more educated, enlightened group of people who may desire more often to participate in organizational

decisions which affect his or her job, and wants to exert independence and individuality through flexible work arrangements. Approaches in fundraising and communications will have to be tailored to correspond to the changing labor force.

Changes in and increased usage of cable television, other video forms and word processing techniques will alter the communications picture. Business travel as well will be reduced greatly and current service delivery methods outdated as more rapid and efficient means of communicating are utilized.

*Government funding cutbacks to social service programs and shifts in response for many of these programs from the federal to the state level necessitate new and creative fundraising and communication methods achievable through greater resource spending in those areas.

An estimated 8.6 million federal dollars is at risk for local United Way agencies due to recent cutback proposals. At the same time, the President has recently proposed that 43 human service programs, including 24 programs that will directly affect the United Way's current scope of services, be turned over to the states to financially support.

Compounding this problem is the fact that the Texas legislature has been traditionally conservative in their regard to social services and there is no reason to assume that the legislature will change their position in the next five years. It will become even more imperative for the private sector in this State to assume greater responsibility for the gap that may be left as a result of the Reagan administration's policy.

*Continued loss of government funding for human service programs demands a more effective and efficient utilization of allocated funds, a prioritized system to identify the more critical needs, better accountability from agencies, a centralization of some administrative services, and the commitment of United Way resources to achieve these goals.

The issues of efficiency and effectiveness at all levels of United Way involvement and operations become more paramount as limited resources must be stretched to meet the growing population and service demands of this area; the impact of inflation; governmental cutbacks of programs and shifting of fiscal responsibility for human service programs between state and federal governments.

*Advances in the medical field will result in people living and working longer, decreasing the need for some services and increasing the need for others.

Current breakthroughs and continued research in cancer treatments, successful organ transplants, biotechnology, including genetic engineering and use of hybrid organs (combination of natural tissue and mechanical devices to protect the tissue from rejection), to name a few, will add to the lengthening of

human life and the improvement in the quality of life. Although it is likely these changes will occur over a longer time span than 3 to 5 years, the ramification of these medical advances from a long-range aspect will certainly change the kinds of services that will be required. There may be a decreased need for rehabilitative services as more cures are discovered for debilitating diseases and conditions and an increased need for life enhancing and supporting services as more people live longer and healthier lives.

Recommendations

The identification of the critical issues facing the United Way of the Texas Gulf Coast provide only the framework of this initial report to the Board of Trustees. Those issues represent largely matters which are not controllable in our environment. An assemblage of proposed actions and operational changes from our various Divisions and Departments, molded into a concerted plan of action, will provide the final report to the Board of Trustees. Therefore, the following recommendations are made to the Board in this summary report.

1. The Summary Report be accepted by the Board of Trustees and passed to the Operating Committees with instructions to submit a proposed three to five years plan of action to the Long Range Planning Committee by May 31, 1982. This plan should include specific actions to respond to the critical issues, a time frame for each action, a projected manpower need for both volunteer committees and staff, other necessary resources, and the expected result of that action. It is the intent of the Long Range Planning Committee to incorporate those proposed actions in a final report to the Board of Trustees in August, 1982.
2. The major changes now occurring in the political, economic and demographic factors will place extreme pressures on traditional service delivery systems of the voluntary sector. Many changes have already been implemented by the United Way and its funded agencies. More will be needed. Therefore, we recommend that a high priority be placed on changes in management and operational processes which will increase efficiency and effectiveness of service delivery funding. Included in the changes should be the funding of services vs. the funding of agencies, integration of service delivery, establishing cost effectiveness criteria which can be used consistently by fund suppliers and service deliveries, establishing priorities, and reorganizing standards to provide opportunities for more agencies for inclusion.
3. Even with increase selectivity and efficiency, demands for funds will undoubtedly increase more rapidly than our ability to raise funds. Therefore, we recommend that a high priority be placed on additional new approaches which offer potential for enhancing our fund raising capability.
4. Finally, the Committee recognizes that organizational changes and actions on the part of the line functions of the United Way will require substained effort from those Departments and Divisions which provide support to raising and allocating funds. The long range plan should include appropriate resources for such areas as Communications, Finance, Government Relations, Data Processing and Administrative Services.

APPENDIX

MAJOR PLANNING ASSUMPTIONS

Listed below in summary form are the major planning assumptions drawn from the trends examined in each of the four main environmental forces.

SOCIAL

- Continued aging of U.S. population
- Continued growth of minority populations
- Continued rise in educational attainment
- Continued geographic relocation
- Continued emergence of new values
- Continued change in life styles
- Continued disenchantment with institutional leadership

ECONOMIC

- Limited real GNP growth
- Continued decline in industrial production
- Limited growth in productivity
- Labor force growth will decrease
- Workers aged 25-44 will constitute a majority of the labor force
- Women and minorities will constitute an increasing proportion of the labor force
- Continued high inflation
- Continued high energy costs
- Unemployment to remain high

POLITICAL

- Decentralization will continue
- Shifting regional influence will occur
- Continued growth of special interest groups
- Decline of party politics
- Government regulation will broaden
- Total government spending to level off as percent of GNP
- Growth of litigation as problem solver

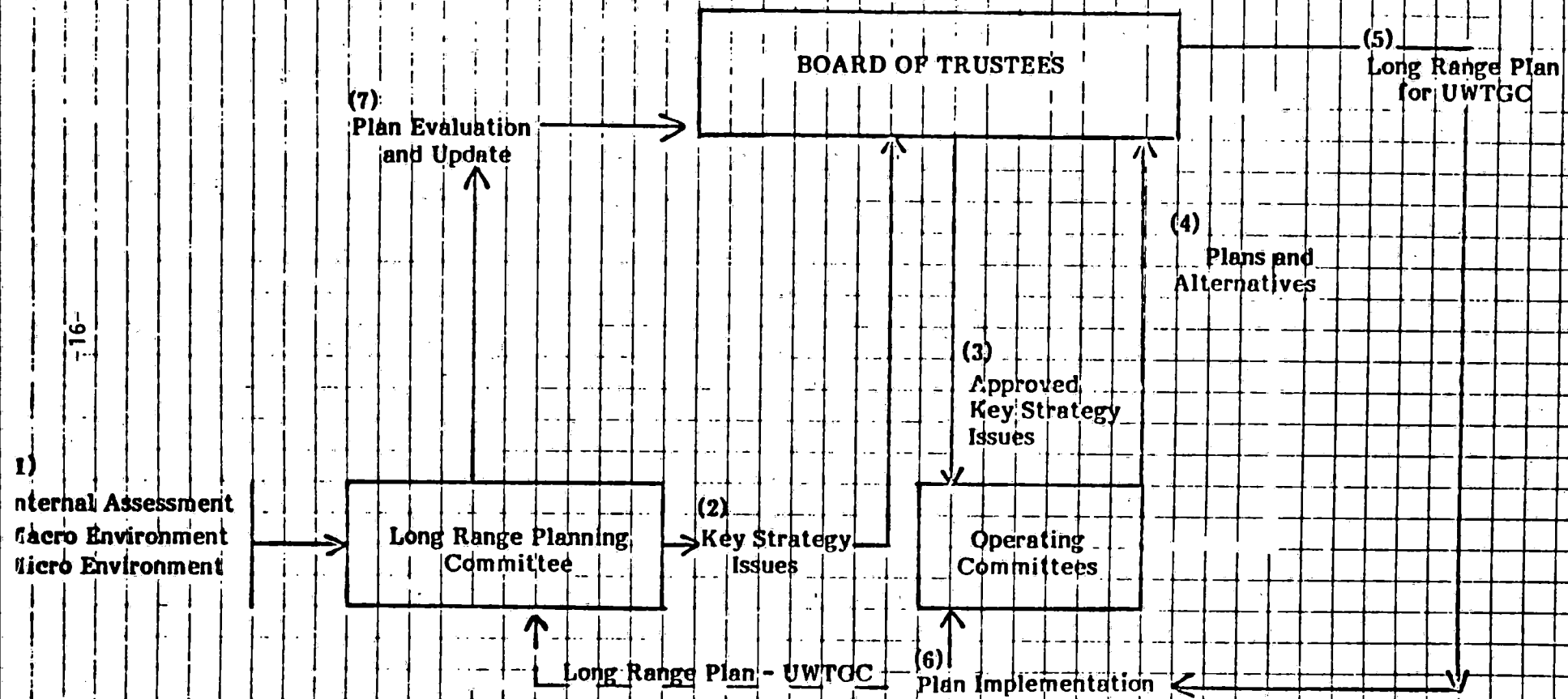
TECHNOLOGICAL

- Continued shift to post industrial society
- Continued growth in key technologies of communications, electronics, energy, genetic engineering, information processing
- Public, scientific and technological literacy will continue to increase
- Technological change will continue trend toward more professional and service workers



H A N D O U T

MODEL OF LONG RANGE PLANNING PROCESS



SELECT KEY IMPLICATIONS

Listed below in summary form are some of the key implications identified for the United Way movement as inferred by the Environmental Scan Task Force from the trends driving each of the four main forces.

SOCIAL

- An aging population might call for a shift in U.W. services from youth to elderly/middle age, e.g. health/divorce counseling.
- A better educated populace could be increasingly more vocal and critical.
- Migration could continue to be disruptive to "hometown" commitments.
- Revitalization of metropolitan areas could shift "needy" to other areas.
- Growth of new values could move donors away from organized charities. "Do it yourself" attitudes.
- Anti-institution attitude could drive volunteers/donors from participation

ECONOMIC

- Shrinkage of discretionary dollars as inflation remains high and as real GNP levels.
- Productivity decline could cause sector unemployment and subsequent contribution reductions will decrease service, demands will increase.
- New worker growth coupled with new values could collapse hierarchical structure in corporations.
- Per household income should increase.
- Smaller pool of non-working female volunteers.
- U.W.'s operation costs will rise.
- Economic squeeze may cause donors/volunteers to turn inward vs. outward.
- Unemployment could cause more pressure on social agencies.

POLITICAL

- Demassification heightens importance of local U.W. ability to identify and respond to local needs.
- Shifting regional influences and new power base emergence could lead to effecting governmental support for social services.
- Special interest groups could cause increased pressure on U.W. to be more inclusive and responsive to "non-traditional" causes.
- Political party decline could cause U.W. to broaden efforts at influencing.
- Continued pressure on agency autonomy will come from government regulations.
- Constraints on government spending will increase need for voluntary support of many existing services.
- Increased litigation will demand higher accountability and increased legal costs.

TECHNOLOGICAL

- Depersonalization as a result of rapid growth of information/computer systems will heighten need for U.W. interpersonal relationship development.
- The changing work environment could produce more free time for volunteer activities by professionals and managers as well as calling for new techniques in campaign solicitation.
- Agency delivery systems can be affected by both technology advances and changed work environment.
- Technological unemployment could cause new service demands by "new-needy".



SOCIETAL TRENDS, ASSUMPTIONS AND IMPLICATIONS FOR THE
UNITED WAY LONG RANGE PLANNING COMMITTEE

YOUTH

- Trend Juvenile crimes between 1976 and 1979 increased by 21%. For the 15-24 years age group accidents, homicides and suicides the 3 leading causes of death, and mental illness the 4th leading cause for hospitalizations.
- Assumption The 15-24 year age group will continue to be identified as a high risk population.
- Implication The increase in human service needs of youth will require, in addition to expansion of available services, a refinement in service planning, coordination and linkages between public, private, and voluntary agencies that offer similar types of services but in separate community locations and facilities.

AGED

- Trend Between 1970 and 1980 the number of persons 60 years and over increased in the City and County by approximately 20-38%.
- Assumption Continued growth of the elderly population.
- Implication An increased aging population will warrant the need to provide additional basic care and specialized services to the elderly. e.g. Health/transportation/social services.

EDUCATION

- Trend The number of women entering the job market between 1970 and 1980 increased considerably while the market itself showed increases in demand for skilled labor, i.e. technologists and technical assistants.
- Assumption Continued increase in the available jobs for skilled/technical persons with a continued acceptance of women into the non-traditional job market.
- Implication The increasing need for vocational guidance services, remedial and technical education over post-secondary will require realignment of available education alternatives and counseling services.

POPULATION

- Trend The significant increase in minority population gap can be attributed, in addition to the black/hispanic gains, to the increase in Asia, Oriental, etc. groups.
- Assumption A continued change of the ethnic distribution within the minority population.
- Implication A greater need to recognize multi-cultural backgrounds of service population.

SUBURBAN MIGRATION

- Trend Population gains in Houston's northwest and southwest quadrants from 1970 to 1980 amounted to respectively 29% and 58%, with corresponding rates of gain also reported in adjacent counties.
- Assumption Continued migration to suburbia.
- Implication A significant increase in the need for decentralized services can be expected, i.e. subsidized day care, counseling, family services, etc.

By its nature the planning process is reiterative and no simple presentation of trends, assumptions and implications can adequately convey the need for continually reassessing assumptions on the basis of their impact on the evolving service delivery mechanisms vis-a-vis demand for services.

Regardless of what constitutes the "primary service objective", it will be necessary to consider all assumptions and/or decisions (population, services, location, funding) and to make adjustments in them until they become mutually supportive.

As indicated by changing and emerging trends, (1970-1980), long-range planning to be effective cannot be relegated to the status of a one-time exercise. It must be tied into an on-going performance measurement system that considers the full range of performance indices.

Service planning based on societal indicators as we have presented it in the foregoing statements is really multidimensional. Decision as to basic program characteristics and user population assumptions as to levels of demand and service utilization, and so on, all come together to determine service outcome.

ECONOMIC TRENDS, ASSUMPTIONS AND IMPLICATIONS FOR THE UNITED WAY LONG RANGE PLANNING COMMITTEE

The following is a summary of the economic trends and assumptions which were reported on October 22, 1981 at the United Way of the Texas Gulf Coast. The user should realize that these statements have been validated through hard data which is available, in detail, if needed. The concluding statements represent the more obvious implications for the United Way, but should in no way be construed as all-inclusive.

Expanding business activity is creating new jobs at a rate which will effect the growth in population, households, cars, and other market indicators. A fairly good indicator of the level of aggregate business activity is bank debits. In constant dollars Houston's 1980 bank debits were more than six times the 1970 figure.

In this diversified economy, only 1 job in 6 is in manufacturing. This is well below the national average of 22% (or about 1 in 4.5). Our primary manufacturing industries, of course, are highly capital intensive, rather than labor intensive. This means we depend on investments, like machinery rather than people so that jobs are not the main components of our industrial base. It is therefore interesting to note that in looking at the various layers of the Houston economy, the service sector is the fastest growing part.

Both medical and health services as well as engineering and architectural services are growing more than twice as fast as total employment. A continued reputation of being a mecca for job seekers is therefore anticipated for the Houston SCSA.

Unemployment rates in Houston have been consistently below the national average. Because our local economy is somewhat acyclical, we have a comparative advantage. That is, when the national cycle goes into a downturn, the Houston economy tends to improve. Our unemployment rate never topped 5% during the 70's.

Experts are anticipating a mild national recession around 1985. If the trends hold, it is assumed that Houston's unemployment rate will remain low. Sceptics will ask what about the anticipated continued rapid growth rate in the labor force? The answer comes through Houston's generation of many new jobs to help offset this increase. However, low unemployment rates encourage high turnover and chronic shortages in certain occupations.

It is not only the magnitude of the labor force growth, but its composition that is significant as well. Almost a third of our employment growth is in the professional and managerial occupations which are typically the best compensated. As a result, Houstonians, are gaining in affluence. From 1970 to 1979, average household income, here, rose 134%. In the last five years of this period, we led the major metropolitan areas of this country in average household income growth. That kind of "golden buckle of the sun-belt" fact is bound to cause in-migration to continue.

In-migrants to Houston are disproportionately young singles and young childless couples. These are prime candidates for employment. Hence, the incidence of multiple wage earners in a single household will continue to grow as both spouses are (or will be) working. Plus, extending the mandatory retirement age from 65 to 70 may more than offset an earlier trend toward early retirement. We can expect this factor to become more important with further steps toward eliminating compulsory retirement. That leads to a major question: Where will this diverse labor force reside?

Construction in Houston reached unprecedented levels in the past decade. A large share of this construction has been office space. However, the jobs which need this new space has caused the in-migration to stimulate residential construction, also. Residential construction is the sector of Houston's economy most vulnerable to downturns in the national business cycle. Even so, 1981 should be the seventh consecutive year in which Houston has more housing starts than any other metropolitan area in the nation. Questions still remain...Will those housing starts be enough to meet the needs of this kind of growth?... Will the labor force be able to afford the rising costs?

Not only is it a question of demand and affordability, but location to work site. After all, rising affluence, continued rapid growth in numbers of households and business expansions all point to further rapid increases in passenger cars. In the last half of the seventies, we averaged a net gain of 87,000 car annually. For the eighties, we look for a decline to about 77,000 followed by a mild rise to some 81,000 a year in the early nineties. The increases will take us from 1.6 million cars now to 3.2 million cars in the year 2000 or a 98% increase. This means that our already declining mobility will become a still more pressing problem.

A key question for this region's future is whether public facilities and services can be provided quickly and adequately enough to accommodate population growth at the rate demanded by our continued economic expansion. It is clear that the rate of population growth understates the extent to which some kinds of pressures on the public sector will grow. The problems will come more quickly than population growth alone suggest. For the United Way, this forecast means both a far larger populace to serve and a vastly larger resource base on which to draw.

One implication is that jobs requiring technical skills are going to be abundant. Although unemployment overall will be lower here, there will be certain groups of people who will find it difficult to find work. Should the United Way take on the responsibility of helping that group of unemployed (or unemployable) person? The United Way should pay close attention to the kinds of persons migrating here for work. They are bringing a myriad of needs and requests for services like housing and transportation. Persons cannot work if they cannot get to a place of employment. Persons cannot work if they cannot find a reasonably priced home for their families, either. The United Way may need to address these two areas in their planning efforts.

Accompanying a larger population to serve and resource base upon which to draw is the issue of effectively and efficiently utilizing the funds being raised. Accountability to contributors will be increasingly important.

After all, if the United Way cannot show it is doing the job, the funds could go to competing organizations. The challenge continues.

TECHNOLOGICAL TRENDS, ASSUMPTIONS AND IMPLICATIONS FOR THE UNITED WAY LONG RANGE PLANNING COMMITTEE

TREND: Automation will continue to have an impact in the areas of process control, information handling and processing, and transfer of funds.

Increased use of automation will:

- a. reduce the need for unskilled entry-level jobs;
- b. increase the need for training throughout careers;
- c. lead to selective unemployment beyond entry-level jobs that are displaced because of the direction of this technology;
- d. increase pressure on traditional small business because of increases in capital investments and interactive technology;
- e. increase productivity, in the long-term, which will in turn, increase real wealth. To the employee, this could mean increased personal wealth or decreased working hours to produce that level of wealth, the latter being the most probable;
- f. increase skill requirements at all levels and emphasize continual retraining;
- g. impact minorities and women in the work force since many of the jobs affected have been held traditionally by these groups, and
- h. open up opportunities to persons in "dead end" jobs for learning new skills, at the same time, requiring the motivation from them to take advantage of these opportunities. Both motivation and training opportunities must exist.

ASSUMPTIONS:

- a. A more educated, technologically-skilled work force will exist.
- b. Persons in entry-level jobs will require retraining and motivational opportunities or else face unemployment.
- c. Mid-level workers will face unemployment possibilities if they are in jobs easily replaced by automation.
- d. Women and minorities as a group will require special attention.
- e. Continued training will be essential to job security.
- f. As automation increases, small business will be pressured to put profits into capital-intensive activities in order to keep up technologically.
- g. More leisure time will be available.
- h. Workers may experience higher incomes as a result of higher productivity.
- i. Businesses which are subject to automation and technological changes might have to place capital investments higher than other kinds of investments.

Trend: Changes in and increased usage of cable television, other video forms and word processing techniques will alter the communications picture.

- ASSUMPTIONS:
- a. The spoken and written word will reach more people quicker.
 - b. There will be a greater variety of communication methods.
 - c. Business travel will be significantly affected.

Trend: Medical technology will continue to extend and improve the quality of life.

- ASSUMPTIONS:
- a. If people live longer, then there will be a potential increase in demand for certain services.
 - b. If people stay healthier longer, then there is a potential decrease for certain services.

IMPLICATIONS FOR THE UNITED WAY

1. Unemployment due to automation within certain areas and among special populations will be serious.
2. Special vocational training with particular emphasis on motivation of trainees as well as career-long retraining opportunities to keep up with the changing technology will be required.
3. Long-range efforts in service delivery, fundraising and communications will need to address the positive results of automation, e.g., increased leisure time and wealth and a more educated, highly skilled work force.
4. Investment trends of traditional small businesses susceptible to technological changes will impact fundraising efforts.
5. Communication advances which are highly varied and sophisticated will alter current means of service delivery, fundraising and information provision.
6. The effect of longer and healthier lives may result in a decrease need for medically-related services, e.g., rehabilitation programs, sheltered workshops and an increased need for basic living and support services, e.g., homebased programs, vocational programs.

GOVERNMENT RELATIONS, TRENDS, ASSUMPTIONS,
IMPLICATIONS AND ISSUES FOR THE UNITED WAY

In the past few years the federal government has taken the initiative in supporting social service programs. President Reagan has presented to Congress a program that will decrease federal involvement in social program funding for the next five years.

1. Although federal aid will be reduced, support from the private sector should increase. The federal position is that social services are needed, but should be the responsibility of the local communities and be financed by the private sector.

Several examples are:

- A. Legislation to increase the charitable deduction taken by corporations.
 - B. An IRS ruling to exempt day care from employees' gross income as a fringe benefit.
 - C. Gephardt/Conable Legislation - designed to encourage increased charitable giving among individuals who do not itemize income tax deductions.
2. The Texas Legislature has been conservative regarding social services, and there is no reason to assume that the Legislature will change their position in the next five years; more likely, their views will become more conservative. If hardware services (like highway construction) are pitted against social services, the hardware services are likely to win out. Furthermore, population growth has placed a strain on these services so that social services face a double "whammy" effect.
3. Since the demand for services will increase by virtue of population growth:
 - A. The United Way must address what services should be funded by the United Way and what services should be funded by other private sources.
 - B. A need exists to determine if the private sector can fill the service gaps left by the cutbacks, or should an evaluative assessment be used to determine the programs' effectiveness as a basis for continuance.
 - C. We need to broaden our base of recruiting volunteers from the schools and churches and get volunteers reinvolved with the system.

4. We have to look at new delivery systems in the private sector which could include mergers and consolidations of programs. For example:
 - A. We must pay attention to the needs of the growing sections of population like undocumented workers and Vietnamese.
 - B. We should look at the community as a whole and see what the most important social service needs of the community are and fund them accordingly.
 - C. Because of the federal cutbacks, the private sector will carry a greater financial responsibility and agencies must become accountable to their funding sources.
5. The United Way might study a plan that begins to centralize services. For example:
 - A. A centralized liability insurance for boards, staff and cars.
 - B. A centralized transportation system.
 - C. An increased use of centralized Data Processing and bookkeeping for agencies.
 - D. Centralized Personnel Department.
6. Within the next five years the United Way will need to continue to explore new and creative ways to raise more money. Options to be considered:
 - A. Expanding the campaign period.
 - B. Allowing agencies solicitation privileges.

The Board of Trustees may need to consider putting more dollars into campaign efforts.

UNITED WAY OF THE TEXAS GULF COAST
COMPREHENSIVE STATEMENT OF PROJECTED REVENUES AND PROPOSED EXPENSES
1983 AND 1984 (WITH 1982 FOR COMPARATIVE PURPOSES)
April 15, 1983

SCHEDULE I

		1982 Actual			1983 Projected			1984 Projected		
	Reference	\$ (in 000's)	% Incr.	% of Total	\$ (in 000's)	% Incr.	% of Total	\$ (in 000's)	% Incr.	% of Total
PUBLIC SUPPORT/REVENUES:										
Campaign production	IA	32,997	20.9		35,152	6.5		37,230	5.9	
Less collection loss/due to other funds	IA	[2,996]	32.5		[3,370]	12.5		[3,572]	6.0	
Investment income, net	IA	1,618	82.2		875	[45.9]		775	[11.4]	
Total support/revenues		<u>31,619</u>	22.0	<u>100.0</u>	<u>32,657</u>	3.3	<u>100.0</u>	<u>34,433</u>	5.4	<u>100.0</u>
EXPENSES:										
Functional expenses		[2,992]	26.4	9.5	[3,365]	12.5	10.3	[3,695]	9.8	10.7
Dues to state and national United Ways		[385]	13.6	1.2	[415]	7.8	1.3	[440]	6.0	1.3
Miscellaneous other, net	IA	[72]	[36.8]	.2	[60]	[16.7]	.2	[65]	8.3	.2
Total expenses		<u>[3,449]</u>	22.3	<u>10.9</u>	<u>[3,840]</u>	11.3	<u>11.8</u>	<u>[4,200]</u>	9.4	<u>12.2</u>
**[REPLENISHMENT] USE OF UNAPPROPRIATED RESERVES:		<u>[1,087]</u>	<u>1452.9</u>	<u>3.4</u>	<u>723</u>	<u>[166.5]</u>	<u>2.2</u>	<u>---</u>	<u>-</u>	<u>-</u>
TOTAL AVAILABLE FOR --										
SERVICE DEPARTMENTS:		493	19.4	1.6	506	2.6	1.5	536	5.9	1.6
AGENCIES:	II	<u>26,590</u>	17.6	<u>84.1</u>	<u>29,034</u>	9.2	<u>88.9</u>	<u>29,697</u>	<u>2.3</u>	<u>86.2</u>

** In budgeting for 1982, \$364,000 of public support/revenues was earmarked to restore the emergency reserve to 10% of Campaign production. The balance of this line item (\$723,000) is primarily the result of investment revenues generated in excess of the original projections made before the 82-83 allocations process. This excess is carried forward for use in 1983.

UNITED WAY OF THE TEXAS GULF COAST
 DETAIL OF PUBLIC SUPPORT/REVENUES FROM
 COMPREHENSIVE STATEMENT OF PROJECTED REVENUES AND PROPOSED EXPENSES
 April 15, 1983

SCHEDULE IA

	Reference	1982 Actual \$ (in 000's)	1983 Projected \$ (in 000's)	1984 Projected \$ (in 000's)
Reported campaign production		(21% incr.) 33,042	(7.4% incr.) 35,500	(6% incr.) 37,630
Adjusted for--				
Reported amounts not received or not included in audit		[273]	[448]	[500]
Contributions received in addition to those reported		<u>228</u>	<u>100</u>	<u>100</u>
Campaign production	I	<u>32,997</u>	<u>35,152</u>	<u>37,230</u>
Reserve for collection losses		(8% of produc.) <u>2,650</u>	(8.25% of produc.) <u>2,928</u>	(8.25% of produc.) <u>3,104</u>
Due to other funds--				
Other CFC participants		147	204	216
Montgomery County		69	83	88
Designations to Baytown and other United Ways		<u>130</u>	<u>155</u>	<u>164</u>
		<u>346</u>	<u>442</u>	<u>468</u>
Collection loss/due to other funds	I	<u>2,996</u>	<u>3,370</u>	<u>3,572</u>
Interest earnings, net of realized gains/losses on sales		1,125	900	800
Unrealized appreciation [deprecia- tion] of investment portfolio		499	---	---
Gain [loss] on sale of donated stock		<u>[6]</u>	<u>[25]</u>	<u>[25]</u>
Investment income	I	<u>1,618</u>	<u>875</u>	<u>775</u>

SCHEDULE II

UNITED WAY OF THE TEXAS GULF COAST
RECONCILIATION OF TOTAL AVAILABLE FOR AGENCIES TO AGENCY FUNDING CYCLES
April 15, 1983

	Actual 1982		Projected 1983		Projected 1984	
	\$	% of Total	\$	% of Total	\$	% of Total
Funds available for agencies--Schedule I	<u>26,590</u>	<u>100.0</u>	<u>29,034</u>	<u>100.0</u>	<u>29,697</u>	<u>100.0</u>
	15,782	59.4	12,577	43.3	14,848	50.0
	10,808	40.6	16,457	56.7	14,849	50.0
May 1981	81/82 Allocations \$23,366 11.4% incr.					
May 1982			82/83 Allocations \$28,359 21.4% incr.			
May 1983					83/84 Allocations \$31,306 10.4% incr.	
May 1984					84/85 Allocations \$ - 14 - % incr.	

SUMMARY

1983 REQUESTS/ALLOCATIONS TO AGENCIES AND SERVICES
 COMPARISON
 1984 REQUESTS FOR ALLOCATIONS

	<u>1983 REQUESTS</u>	<u>1983 ACTUAL</u>	<u>1984 REQUESTS</u>
1. Member and Non-Member Affiliates (Present Programs)	\$26,923,463	\$24,904,107	\$27,722,317
2. Member and Non-Member Affiliates (New Programs)	628,278	37,512	859,994
3. New Admissions of Agencies	40,000	40,000	33,889
4. Grantee Agencies	801,345	186,824	265,760
5. Other Agencies and Programs	169,238	175,662	177,833
6. Montgomery County: Local United Way Agencies and Service Centers	550,064	527,706	686,659
7. Reserve for uncollectibles, United Way operations, distribution to CFC agencies and other United Ways*	6,590,000	6,515,000	6,750,000
8. Allocations to Information Services, Service Centers, Government Relations Programs, Red Cross*	3,794,109	3,987,109	4,365,843
9. Emergency Funding Reserve	<u>1,300,000</u>	<u>942,800</u>	<u>250,000</u>
TOTALS:	<u>\$40,796,497</u>	<u>\$37,316,720</u>	<u>\$41,112,295</u>

Note: The above figures constitute twelve months' distribution of funds,
 but they may be for fiscal years other than July-June.

*Details as follows:

	<u>1983</u>	<u>1984</u>
7. Reserve uncollectibles	\$ 2,775,000	\$ 2,853,000
United Way operations	3,379,000	3,475,000
CFC agencies	191,000	298,000
Other United Ways	170,000	124,000
8. United Way Information & Referral Services, government relations and two service centers	\$ 699,000	\$ 756,000
Red Cross	3,288,109	3,609,843



UNITED WAY OF THE TEXAS GULF COAST

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 1983

TOGETHER WITH AUDITORS' REPORT

ARTHUR ANDERSEN & Co.

HOUSTON, TEXAS

March 6, 1984

To the Board of Trustees of

United Way of the Texas Gulf Coast:

We have examined the balance sheets of the United Way of the Texas Gulf Coast (a nonprofit Texas corporation) as of December 31, 1983 and 1982, the related statement of support, revenue and expenses and changes in fund balances and the related statement of service activities and functional expenses for the year ended December 31, 1983. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the United Way of the Texas Gulf Coast as of December 31, 1983 and 1982, and the results of its operations and changes in fund balances for the year ended December 31, 1983, in conformity with generally accepted accounting principles applied on a consistent basis.

Arthur Andersen & Co.

TEXAS GULF COAST

PERIOD ENDING DECEMBER 31, 1983 AND 1982

DEFERRED SUPPORT, LIABILITIES
AND FUND BALANCES

1983

1982

DEFERRED SUPPORT AND LIABILITIES:

Annual fundraising support and revenue
designated for future periods, net of
estimated uncollectible pledges
(Notes 4 and 6)
Allocations due agencies and agency
programs
Amounts designated for other United Ways,
accrued expenses and other liabilities

\$32,066,000	\$29,911,000
2,738,000	3,013,000
596,000	471,000
<u>35,400,000</u>	<u>33,395,000</u>

COMMITMENTS (Notes 4 and 8)

FUND BALANCES:

Current unrestricted funds-
Designated by the board of trustees for-
Building fund and other (Notes 3 and 5)
Emergency and stabilization reserve
Undesignated, available for subsequent
allocations (Note 4)

Current restricted fund
Land, building and equipment fund (Notes 3 and 5)

647,000	694,000
3,304,000	3,304,000
657,000	723,000
<u>4,608,000</u>	<u>4,721,000</u>
11,000	9,000
1,355,000	1,329,000
<u>5,974,000</u>	<u>6,059,000</u>
<u>\$41,374,000</u>	<u>\$39,454,000</u>
=====	=====

These are an integral
part of the financial statements.

UNITED WAY OF THE

BALANCE SHEETS--DECEMBERASSETS

	<u>1983</u>	<u>1982</u>
CASH, including short-term cash investments and time deposits of \$8,465,000 and \$7,097,000	\$ 8,553,000	\$ 8,569,000
MARKETABLE SECURITIES, net	3,463,000	3,596,000
PLEDGES RECEIVABLE, net of estimated uncollectible pledges of \$5,235,000 and \$5,059,000	23,925,000	21,636,000
ADVANCES TO AGENCIES	676,000	548,000
DUE FROM COMBINED FEDERAL CAMPAIGN	516,000	494,000
DEFERRED FUNDRAISING EXPENSES (Notes 4 and 6)	1,732,000	1,662,000
PROPERTY AND EQUIPMENT, net (Notes 2, 3 and 5)	2,007,000	2,033,000
OTHER ASSETS (Note 2)	502,000	916,000
	<u>\$41,374,000</u>	<u>\$39,454,000</u>
	=====	=====

The accompanying no
part of these fin

UNITED WAY OF THE

STATEMENT OF SUPPORT, REVENUE AND E

FOR THE YEAR ENDED

WITH COMPARATIVE

PUBLIC SUPPORT AND REVENUE:

Public support received directly-

Annual fall fundraising activity, net of provision for estimated
uncollectible pledges of \$2,775,000 and \$2,643,000 (Note 4)

Recovery of pledges previously written off, contributions of personal
services and materials, etc. (Note 6)

Interest income and other, net

ALLOCATIONS AND EXPENSES:

Allocations to agencies and services (Note 7)

Service activities expenses

Functional expenses-

Fundraising

Agency relations

Management and general

Payments to national and state organizations

EXCESS (DEFICIT) OF PUBLIC SUPPORT AND REVENUE OVER ALLOCATIONS AND EXPENSES

OTHER CHANGES IN FUND BALANCES:

Property and equipment acquisition, net of dispositions (Note 3)

Amortization of interfund building advances (Note 5)

FUND BALANCES, beginning of year

FUND BALANCES, end of year (Notes 3, 4 and 5)

The accompanying no
part of these fin

TEXAS GULF COAST

EXPENSES AND CHANGES IN FUND BALANCES

DECEMBER 31, 1983

TOTALS FOR 1982

Current Funds		Land, Building and Equipment Fund	Total All Funds	
<u>Unrestricted</u>	<u>Restricted</u>		<u>1983</u>	<u>1982</u>
\$31,444,000	\$ -	\$ -	\$31,444,000	\$29,464,000
320,000	13,000	41,000	374,000	133,000
960,000	1,000	(6,000)	955,000	1,643,000
-----	-----	-----	-----	-----
32,724,000	14,000	35,000	32,773,000	31,240,000
-----	-----	-----	-----	-----
28,244,000	-	-	28,244,000	26,082,000
699,000	12,000	9,000	720,000	567,000
1,662,000	-	56,000	1,718,000	1,477,000
799,000	-	13,000	812,000	765,000
918,000	-	31,000	949,000	875,000
415,000	-	-	415,000	385,000
-----	-----	-----	-----	-----
32,737,000	12,000	109,000	32,858,000	30,151,000
-----	-----	-----	-----	-----
(13,000)	2,000	(74,000)	\$ (85,000)	\$ 1,089,000
			=====	=====
(52,000)	-	52,000		
(48,000)	-	48,000		
4,721,000	9,000	1,329,000		
-----	-----	-----		
\$ 4,608,000	\$11,000	\$1,355,000		
=====	=====	=====		

These are an integral
part of the financial statements.

UNITED WAY OF THE

STATEMENT OF SERVICE ACTIVITIES

FOR THE YEAR ENDED

WITH COMPARATIVE

Salaries, employee benefits and payroll
taxes
Fees for temporary clericals, consultants, audit
and legal services
Supplies, telephone and postage
Utilities, building maintenance and equipment rental
Local travel, educational conferences and other miscellaneous expenses
Printing and publications

Total expenses

Charges to other nonprofit organizations for support services
Allocation of support services-
Communications
Data processing
Central clerical support, word processing and occupancy

Total expenses, as allocated, before depreciation

Depreciation of property and equipment

Total expenses

The accompanying notes are an integral part of these financial statements.

TEXAS GULF COAST

ITIES AND FUNCTIONAL EXPENSES

D DECEMBER 31, 1983

E TOTALS FOR 1982

Service Activities Expenses	Functional Expenses				Total	
	Fundraising	Agency Relations	Management and General	Support Services Allocated	1983	1982
\$431,000	\$ 556,000	\$491,000	\$311,000	\$ 932,000	\$2,721,000	\$2,403,000
6,000	161,000	8,000	72,000	138,000	385,000	403,000
26,000	86,000	12,000	18,000	120,000	262,000	223,000
96,000	14,000	1,000	4,000	345,000	460,000	351,000
32,000	50,000	14,000	14,000	29,000	139,000	141,000
6,000	25,000	24,000	9,000	309,000	373,000	349,000
597,000	892,000	550,000	428,000	1,873,000	4,340,000	3,870,000
-	-	-	-	(250,000)	(250,000)	(271,000)
17,000	285,000	132,000	144,000	(578,000)	-	-
42,000	177,000	34,000	200,000	(453,000)	-	-
55,000	308,000	83,000	146,000	(592,000)	-	-
711,000	1,662,000	799,000	918,000	-	4,090,000	3,599,000
9,000	56,000	13,000	31,000	-	109,000	85,000
\$720,000	\$1,718,000	\$812,000	\$949,000	\$ -	\$4,199,000	\$3,684,000
=====	=====	=====	=====	=====	=====	=====

tes are an integral
ancial statements.

UNITED WAY OF THE TEXAS GULF COAST

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1983 AND 1982

- (1) Organization, principles of
combination and summary of
significant accounting
policies-
-

Organization-

The United Way of the Texas Gulf Coast (United Way) is a federated fundraising organization whose activities are governed by a voluntary board of trustees and subcommittee structure. The United Way's fundraising efforts are concentrated in the Houston-Harris County and Fort Bend County areas. However, agreements with United Ways in certain adjacent counties are maintained to provide equitable distributions of funds for situations in which fundraising efforts overlap. Liabilities under such agreements are reflected on the balance sheets as amounts designated for other United Ways.

The United Way has an agreement with the United Way of Montgomery County (Montgomery County) whereby fundraising efforts are coordinated and funds raised are pooled for use in a joint allocations process for agencies located in the Montgomery County area. Montgomery County campaign proceeds are not reflected in these financial statements. Likewise, allocations expense for agencies in the Montgomery County area are reflected in these statements only to the extent that they are provided for by United Way campaign production.

The United Way's fundraising efforts also include the Combined Federal Campaign (CFC). CFC is the solicitation of funds from federal employees, as authorized by the federal government, on behalf of United Way, National Health Agencies, International Service Agencies, National Service Agencies and local nonfederated agencies. The United Way is the administrator of this campaign (as selected by the Houston Federal Executive Board) and is responsible for the collection, allocation and distribution of the proceeds of the fundraising activity. United Way's share of CFC campaigns is recorded on the balance sheet as a receivable.

The United Way supports 80 community service agencies throughout the Houston-Harris County area and certain services in neighboring counties. In addition to supporting these agencies, the United Way provides services directly to the public. These are reflected in the financial statements as service activities expenses and include information and referral services, community service centers in Fort Bend County and Clear Lake, and a government liaison function for agencies.

Principles of combination-

The financial statements include the accounts of all funds of the United Way. All significant interfund accounts and transactions have been eliminated.

Financial statement format-

The financial information shown for 1982 in the statement of support, revenue and expenses and changes in fund balances and the statement of service activities and functional expenses is presented in accordance with the format recommended by the American Institute of Certified Public Accountants. It is included to provide a basis for comparison with 1983 and presents summarized totals only.

Recognition of public support, revenue and expense-

Annual fundraising is conducted in the fall to raise money for use by participating agencies in the subsequent calendar year. Therefore, recognition of annual fundraising production (contributions and pledges receivable) and related fundraising expenses is deferred to the following year (see Note 4).

Payments to agencies are sometimes based on their cash needs. To the extent that actual payments to individual agencies exceed the amount recognized as expense in that year, an advance is reflected in the balance sheet. Conversely, amounts expensed in excess of payments are reflected as allocations due agencies and agency programs.

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Pledges are recorded in the balance sheet as receivables, and allowances are provided for amounts estimated to be uncollectible.

Property and equipment and depreciation-

Provisions for depreciation on all fixed assets are generally determined on the composite basis using the straight-line method based on estimated useful lives. The costs of ordinary maintenance and repairs are charged to expense currently, whereas renewals and major replacements are capitalized.

Marketable securities-

Marketable securities are carried at the lower of cost or market. The carrying value of these securities in the balance sheets is net of unrealized depreciation of \$164,000 at December 31, 1983, and \$82,000 at December 31, 1982.

Emergency and stabilization
reserve-

The board of trustees has established a policy to maintain a fund balance designated for emergency and stabilization purposes. The reserve is used solely for the maintenance of member agencies' services which are deemed critical by the board of trustees and which would, due to unforeseen and uncontrollable circumstances, suffer without such support.

Reclassifications-

Certain reclassifications have been made to the 1982 amounts in these financial statements to conform to the 1983 presentation, including the elimination of 1982 assets and offsetting liabilities totaling \$187,000 which belong to other CFC participants.

(2) Note receivable-

Other assets at December 31, 1982, included a \$355,000 note receivable with interest at 8% from the disposition of land and building in 1978. The note, due on April 13, 1983, was renegotiated in 1983 and was paid in full on October 26, 1983.

(3) Property and equipment-

Property and equipment at December 31 consisted of the following:

<u>Classification</u>	<u>Life in Years</u>	<u>1983</u>	<u>1982</u>
Land, at cost	-	\$ 873,000	\$ 873,000
Building and improvements on Waugh Drive, at cost (see Note 5)	30	1,170,000	1,164,000
Furniture, fixtures and transportation equipment, at cost	3 - 12	608,000	538,000
		-----	-----
		2,651,000	2,575,000
Less- Accumulated depreciation		644,000	542,000
		-----	-----
Total property and equipment, net		2,007,000	2,033,000
Less- Advances from current unrestricted fund (see Note 5) and obligations under capital leases		652,000	704,000
		-----	-----
Land, building and equipment fund balance at December 31		\$1,355,000	\$1,329,000
		=====	=====

(4) Deferred revenue
and commitments-

Net annual fundraising support and revenue designated for future periods reflected on the December 31, 1983 balance sheet consists of the following:

Fall campaign production reported in November 1983	\$36,539,000
Less-	
Verbal and projected commitments for which formal confirmations have not been received as of March 6, 1984	(709,000)
Montgomery County United Way proceeds, donor designations to other United Ways and amounts due to CFC participants, net of in-kind fundraising contributions (see Notes 1 and 6)	(911,000)

	34,919,000
Estimated uncollectible pledges	(2,853,000)

Annual fundraising support and revenue designated for future periods, net of estimated uncollectible pledges	\$32,066,000
	=====

As indicated in Note 1, the \$32,066,000 will be recognized as public support and revenue in 1984. The board of trustees of the United Way has designated this public support to be used in the following manner during 1984:

Annual fundraising support and revenue designated for future periods, net	\$ 32,066,000
Funds allocated in May 1983 to agencies for January through June 1984 operations	(13,761,000)
Funds allocated in January and February 1984 for-	
Functional expenses	(3,475,000)
Service activities expenses	(756,000)
Estimated support of national and state organizations	(437,000)

Funds remaining to be allocated to agencies for July through December 1984 operations	\$ 13,637,000
	=====

In addition to the commitment of each fall's fundraising production, United Way policy requires that yearend undesignated fund balances be made available for subsequent agency allocations. Undesignated fund balances were \$657,000 and \$723,000 on December 31, 1983 and 1982, respectively. See Note 7 for explanation of agency funding cycles.

(5) Fund balance designated for
the building fund and other-

Advances from the current unrestricted fund were made during 1976 and 1977 for construction of a building addition at 1010 Waugh Drive which was completed in August 1977. The interfund loan is being amortized in equal installments over a 20-year period by transfers from the current unrestricted fund to the land, buildings and equipment fund. The balance of this loan was \$647,000 at December 31, 1983, and \$694,000 at December 31, 1982.

(6) Contributed materials and
personal services-

Many volunteers have donated substantial amounts of time toward fundraising, agency relations and service activities; however, the value of these donated services as well as contributed materials is not reflected in the financial statements unless a consistent, objective basis for measurement of their value can be established. As of December 31, 1983 and 1982, deferred support and deferred fundraising expenses include \$79,000 and \$130,000, respectively, for the estimated value of contributed materials and services.

(7) Allocations to agencies
and services-

Agencies were allocated \$28,244,000 and \$26,082,000 from United Way support and revenue recognized during the years ended December 31, 1983 and 1982, respectively. These allocations were distributed to the program service categories shown in the table below.

Certain agencies were reassigned among different program service categories in 1983; therefore, the 1982 allocation amounts have been reclassified for comparative purposes. Also, allocations to the United Way of Texas of \$72,000 in 1982 have been reclassified as "payments to national and state organizations."

Program Service Category	1983 Allocation		1982 Allocation	
	Amount	Percent	Amount	Percent
Adult services	\$ 1,862,000	6.59%	\$ 1,564,000	5.99%
Casework and counseling services	2,892,000	10.24	2,937,000	11.26
Child welfare services	3,059,000	10.83	3,115,000	11.94
Community services	1,709,000	6.05	1,523,000	5.84
Crisis casework services	882,000	3.12	995,000	3.81
Youth services	2,578,000	9.13	2,417,000	9.27
Health services	1,510,000	5.35	1,580,000	6.06
Family recreational services	3,170,000	11.22	3,118,000	11.95
Children's rehabilitation services	1,484,000	5.26	1,486,000	5.70
Rehabilitation services	1,679,000	5.95	1,759,000	6.75
Day care services	2,239,000	7.93	2,219,000	8.51
Mental health services	794,000	2.81	703,000	2.70
Other services-				
American Red Cross	3,427,000	12.13	1,537,000	5.89
Grants to nonmember agencies	959,000	3.39	1,129,000	4.33
	-----	-----	-----	-----
	\$28,244,000	100.00%	\$26,082,000	100.00%
	=====	=====	=====	=====

The fiscal year for most agencies is July 1 through June 30. Agency allocations are determined by United Way volunteers in May of each year based on the agencies' budget requests for their next operating cycle. These allocations are funded with the remainder of the fundraising production from the previous fall and by approximately one half of the estimated production from the upcoming fall campaign (see Note 4).

Prior to 1982, the American Red Cross allocation was funded entirely from one fundraising period and was, therefore, expensed in one fiscal year. In 1982, the funding contract was renegotiated. Under the new contract, funds are allocated from two fundraising periods as is done with all other agencies. Therefore, during 1982 (the transition year), allocation expense included only 50% of the allocation granted to the American Red Cross. The remaining 50% is included in the 1983 agency expense with 50% of the agency's next allocation.

(8) Employee benefit plans-

The United Way has a noncontributory defined benefit pension plan which is administered by a pension plan committee. The assets are managed by a corporate trustee. The plan, which covers substantially all United Way employees and employees of 30 participating agencies, had net assets of \$12,182,000 as of January 1, 1983, the most recent valuation date. The present value of vested accumulated plan benefits and the present value of nonvested accumulated plan benefits were \$8,032,000 and \$465,000, respectively, as of January 1, 1983. The weighted average

assumed rate of return used in determining the actuarial present value of accumulated plan benefits as of January 1, 1983, was 9%. Prior service costs have been fully funded. For the pension plan as a whole, the expense for 1983 and 1982 was \$1,185,000 and \$1,108,000, respectively. Pension plan contributions expensed by the United Way for 1983 and 1982 were \$117,000 and \$121,000, respectively.

The United Way also has a thrift plan. Employees may elect after one year's service to participate in the plan by contributing up to 12% of their salary. The United Way makes a matching contribution equal to 150% of the first 4% of employee contributions. All contributions are maintained in trust by an independent corporate trustee, and employees may select the type of investment for their account. Thrift plan contributions expensed by the United Way for 1983 and 1982 were \$80,000 and \$49,000, respectively.

The pension and thrift plan administrator collects 8% of total compensation from the United Way and each participating agency each year. The plans are funded on an aggregate basis using a portion of these collections. The United Way has received letters of determination from the Internal Revenue Service stating that the plans are qualified under Section 401(a) of the Internal Revenue Code of 1954, as amended.



GULF COAST COMBINED FEDERAL CAMPAIGN

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 1983

TOGETHER WITH AUDITORS' REPORT

ARTHUR ANDERSEN & Co.

HOUSTON, TEXAS

March 6, 1984

To the Board of Trustees of the

United Way of the Texas
Gulf Coast as Principal
Combined Fund Organization:

We have examined the balance sheets of the Gulf Coast Combined Federal Campaign as of December 31, 1983 and 1982, and the related statements of support, revenue and expenses for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the Gulf Coast Combined Federal Campaign as of December 31, 1983 and 1982, and the results of its operations for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Arthur Andersen & Co.

GULF COAST COMBINED FEDERAL CAMPAIGN

BALANCE SHEETS--DECEMBER 31, 1983 AND 1982

	<u>1983</u>	<u>1982</u>
<u>ASSETS</u>		
CASH	\$138,062	\$120,127
PLEDGES RECEIVABLE:		
1982-83 pledges, net of allowance for estimated uncollectible pledges of \$72,900 as of December 31, 1982	-	571,227
1983-84 pledges, net of allowance for estimated uncollectible pledges of \$70,000 as of December 31, 1983	618,116	-
ADVANCES TO PARTICIPANTS FROM CURRENT FUNDRAISING	2,786	3,379
OTHER ASSETS	1,712	303
	-----	-----
	\$760,676	\$695,036
	=====	=====
 <u>DEFERRED SUPPORT AND LIABILITIES</u>		
ALLOCATIONS DUE TO PARTICIPANTS, net of estimated uncollectible pledges:		
1981-82 fundraising	\$ -	\$ 35,123
1982-83 fundraising	46,807	-
DEFERRED SUPPORT FROM ANNUAL FUNDRAISING, net of estimated uncollectible pledges	713,869	659,913
	-----	-----
	\$760,676	\$695,036
	=====	=====

The accompanying notes are an integral
part of these financial statements.

GULF COAST COMBINED FEDERAL CAMPAIGN

STATEMENTS OF SUPPORT, REVENUE AND EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 1983 AND 1982

	<u>1983</u>	<u>1982</u>
PUBLIC SUPPORT AND REVENUE:		
Annual fall fundraising, net of provision for estimated uncollectible pledges of \$73,000 in 1983 and \$70,000 in 1982	\$659,913	\$495,081
Contributions received after the fall fundraising and recovery of pledges previously written off	30,570	27,038
	<u>690,483</u>	<u>522,119</u>
ALLOCATIONS AND EXPENSES:		
United Way of the Texas Gulf Coast	498,183	413,361
National Health Agencies	132,849	81,087
International Service Agencies	26,515	21,877
National Service Agencies	31,210	5,586
Local Nonfederated Agencies	1,726	208
	<u>690,483</u>	<u>522,119</u>
EXCESS OF PUBLIC SUPPORT AND REVENUE OVER ALLOCATIONS AND EXPENSES	\$ - =====	\$ - =====

The accompanying notes are an integral
part of these financial statements.

GULF COAST COMBINED FEDERAL CAMPAIGN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1983

Organization and summary of significant accounting policies-

Organization-

The Gulf Coast Combined Federal Campaign is the solicitation of funds, under authorization of the federal government, from federal employees in Houston and in Harris, Fort Bend, Montgomery, Chambers, Galveston and Brazoria counties. The local Federal Executive Board (the FEB) selected the United Way of the Texas Gulf Coast (United Way) as the Principal Combined Fund Organization to administer this fundraising on behalf of itself, National Health Agencies (NHA), International Service Agencies (ISA), the National Services Agencies (NSA) and the Local Nonfederated Agencies (LNA). The United Way is responsible for the collection, allocation and distribution of proceeds from each fall fundraising activity.

The board of trustees of the United Way has approved the allocation of undesignated proceeds from the 1983-84 fundraising year. The proceeds will be allocated to the participants in the following manner: United Way (87.88%), NHA (8.76%) and ISA (3.36%). NSA and LNA receive specific donor designations. Total fundraising expenses approved by the FEB in connection with the 1983-84 fundraising activity were \$78,447. NHA, ISA, NSA and LNA portions of these expenses are payable in 1984 and will be withheld from the distribution of the fundraising proceeds until the United Way is reimbursed for the fundraising costs.

Recognition of revenue-

Annual fundraising activity is conducted in the fall to raise support for allocation to participants in the subsequent calendar year. Production (cash and pledges receivable) from the annual fundraising activity is deferred to the year of allocation to participants. All contributions are considered available for unrestricted use unless specifically restricted by the donor. Pledges are recorded in the balance sheet as receivables, and allowances are provided for amounts estimated to be uncollectible.

Donated services-

A substantial number of volunteers has donated significant amounts of their time toward the fundraising activity, but the value of these donated services is not reflected in the financial statements as there is no consistent, objective basis of measurement.



UNITED WAY OF THE TEXAS GULF COAST

MEMORANDUM OF SUGGESTIONS
FOR IMPROVEMENT OF ACCOUNTING PROCEDURES
AND INTERNAL CONTROLS
MARCH 1984

ARTHUR ANDERSEN & Co.

SUITE 1300
711 LOUISIANA
HOUSTON, TEXAS 77002
(713) 237-2323

March 6, 1984

Audit Committee
United Way of the
Texas Gulf Coast
1010 Waugh Drive
Houston, Texas 77219

Gentlemen:

The accompanying memorandum includes suggestions for improvement of accounting procedures and internal accounting control measures that came to our attention as a result of our examination of the financial statements of the United Way of the Texas Gulf Coast as of December 31, 1983, and for the year then ended. The matters discussed herein were considered by us during our examination, and they do not modify the opinion expressed in our auditors' report dated March 6, 1984, on such financial statements.

In accordance with generally accepted auditing standards, we performed a review and evaluation of existing internal accounting controls for the purpose of providing a basis for reliance thereon in connection with our examination of United Way's above-mentioned financial statements. While certain matters which came to our attention during the review are presented in the accompanying memorandum for the consideration of management, such a review was not designed for the purpose of making detailed recommendations and would not necessarily disclose all weaknesses in the existing system.

The accompanying memorandum also includes comments and suggestions with respect to other financial and administrative matters which came to our attention during the course of our examination of the financial statements. These matters are offered as constructive suggestions for the consideration of management as part of the ongoing process of modifying and improving accounting control and other financial and administrative practices and procedures.

Very truly yours,

Arthur Andersen & Co.

MEMORANDUM OF SUGGESTIONS
FOR IMPROVEMENT OF ACCOUNTING PROCEDURES
AND INTERNAL CONTROLS

Accounting for the
Health Care Plan

The Benefits Department (Benefits) collects withholdings and employer contributions from the various agencies and the United Way to pay group health care insurance premiums and to help offset Benefits' operating expenses.

During our review, we noted several matters related to this function which we believe should be brought to management's attention.

These matters follow:

- (1) Reporting--The receipts and disbursements of Benefits related to the health care plan are not reported on a gross basis on any financial statements. Rather, the cash balance is recorded in the United Way balance sheet as cash and liabilities.
- (2) Interest income--Generally, funds are received by Benefits before premium payments are due. During this period, the funds are maintained in a separate interest-bearing checking account. We concur with this procedure. However, as a result of the method of recording the ending cash balance, this interest income is never reported as income in any financial statements.
- (3) Ending cash balance--At December 31, 1983, the separate health care checking account had a balance of approximately \$145,000 which represents interest earnings and charges to agencies in excess of premium and administrative cost. This excess cash position is not disclosed to the agencies.
- (4) Cost--During 1983, Benefits' operating expenses were approximately \$171,000 including approximately \$3,000 representing the cost of a fidelity bond on employees paid for by the United Way. Of these costs, approximately \$84,000 were allocated to the health care plan based on time spent on that function and other actual

costs. We are not in a position to determine whether this cost is reasonable; however, we believe that alternative methods of performing certain of these functions, such as a bank trust department, should be evaluated to determine if these could be performed at a lesser cost.

Our review did not disclose any errors or irregularities or control weaknesses in the accounting for the health care function. However, we believe that management should be aware of the above matters and that the policies and procedures in place with regard to Benefits be reevaluated accordingly.

Reporting for the
Combined Federal Campaign

In light of the recent attention given to Combined Federal Campaign (CFC) by the United States Office of Personnel Management in regard to accounting, auditing and reporting, we believe that the United Way should reevaluate the format and contents of the CFC financial statements.

Currently, the mechanism by which participants reimburse United Way for CFC fundraising costs is reflected in a footnote to the CFC financial statements.

In future years, we believe the CFC financial statements should include deferred and current fundraising expenses incurred by United Way on behalf of CFC. Allocations to participants should then be reflected net of their share of these costs.