

Attachment 2c

Supplemental response of United Way

917 134th Street SW, Suite B1
Everett, WA 98204
tel 425.921.3400
fax 425.921.3479
www.uwsc.org



February 22, 2006

David Lundsgaard
Graham and Dunn PC
Pier 70
2801 Alaskan Way, Suite 300
Seattle, WA 98121-1128

Dear Mr. Lundsgaard,

I am pleased to respond to your invitation to submit a letter of interest to provide administrative oversight and management of the public purpose fund resulting from the merger of Verizon Communications and MCI. United Way of Snohomish County is uniquely qualified to provide this service since grant administration is at the core of our business. We have a long history of managing a variety of grants programs.

One example of our expertise is our experience in managing United Way's multi-year Program Grant Fund. We currently have allocated and are monitoring grants to 114 programs from 49 human service organizations. Applicants are required to respond to a formal Request for Proposals (RFP), meet Federal and State eligibility requirements for non-profit organizations, provide audits for review by United Way's audit committee, and align with United Way's funding criteria and community impact priorities. In addition, the programs selected for funding must demonstrate sound outcome measurement performance through reports submitted for review at yearly intervals throughout the three-year grant cycle. The amount allocated through this process is in excess of \$4 million dollars.

A second example is our management of Snohomish County's Emergency Food and Shelter Program (EFSP), a Federal grant fund. United Way has been the appointed administrator of this grant for several years. We manage a formal RFP process and monitor the strict Federal eligibility and reporting guidelines that must be met by all grantees. The scope of United Way's responsibilities includes convening a local Snohomish County EFSP Board; membership on this Board; providing staff to develop and guide the application, allocation, and reporting processes; and supporting the EFSP Board in its monitoring of local recipient organizations. Typically the amount allocated through this program is \$350,000 to \$450,000 per year.

Finally, is our experience managing the Combined Federal Campaign, the only authorized solicitation of employees in the Federal workplace on behalf of charitable organizations. The scope of managing this program includes raising funds through workplace campaigns, determining and certifying the eligibility of local organizations to participate as recipient of funds, as well as auditing, reporting and distributing these funds. The certification process is rigorous. Typically, the amount raised and disbursed through this program is \$500,000 to \$600,000 per year.

Our preference is to be the holder of the grantor funds for disbursement under the guidelines of this program. We generally charge between 2% and 5% to administer grants programs like this, but request the opportunity to provide a more exact quote once we learn more about the magnitude of this project.

Should United Way be chosen as the grant administrator, Barbara J. Davis, Vice President, Impact and Community Investment, would most likely be the primary staff person working on this project. Barbara has more than ten years experience in outcome measurement evaluation and has managed our organization's grants programs for the past six years. Financial oversight would be provided by Jeri Wilkes, CPA, our Vice President of Finance and Administration. Additional oversight for the project will be provided by Dennis G. Smith, PhD, United Way's Executive Vice President.

Mr. Lundsgaard
Page 2
February 22, 2006

United Way appreciates the opportunity to present this information for your consideration. If you have questions or need additional information, please feel free to contact me. I can be reached by email carl.zapora@uwsc.org or by phone, 425.921.3404. Thank you.



Carl J. Zapora
President
United Way of Snohomish County



Combined Federal Campaign
of North Puget Sound
917 – 134th Street S. W.
Everett, WA 98204

February 22, 2006

David Lundsgaard
Graham and Dunn PC
Pier 70
2801 Alaskan Way, Suite 300
Seattle, WA 98121-1128

Dear Mr. Lundsgaard,

I am writing regarding your consideration of entering into a contract agreement with United Way of Snohomish County to serve as grant administrator for the "public purpose" fund. As Chair of the 2005 and 2006 Local Federal Coordinating Committee for the Combined Federal Campaign for North Puget Sound, it has been my responsibility to work closely with this United Way.

Our contractual relationship establishes United Way of Snohomish County as the Principal Combined Fund Organization (PCFO) for the 2005 and 2006 Combined Federal Campaigns. The formal Memorandum of Agreement establishes the responsibilities of the PCFO. There are many; however, I believe the following responsibilities are relevant to your consideration. (Taken from Memorandum of Agreement dated February 8, 2005.)


The PCFO agrees to maintain a system of records that insures the integrity and accountability of all funds administered in support of the CFC program. To meet this objective, the PCFO shall, in accordance with CFC regulations:

- *Honor employee designations by ensuring that funds are distributed to recipient organizations pursuant to regulatory guidelines, and that necessary controls are established to maintain accountability and disclosure.*
- *Distribute undesignated funds to all organizations in the brochure in the same proportion that they received designations.*
- *Maintain a detailed schedule of PCFO actual and CFC administrative expenses.*
- *Maintain CFC financial records separate from the PCFO's internal organizational financial records and bank accounts.*

It has been my experience that this United Way is stellar in its compliance with all regulatory processes related to the Combined Federal Campaign. You might find it instructive to learn that the federal Office of CFC Operations initiated a pilot program permitting selected LFCCs to enter into two-year agreements with their PCFOs. United Way of Snohomish County was one of only 16 PCFOs across the country to be asked to participate in the pilot. I believe this invitation was issued as a direct reflection of the long-standing quality of their work. Their application was fully endorsed and accepted, and we are now beginning the second year of this pilot program.

I am pleased to add my endorsement of this United Way and encourage you to contact me if you would like additional information.

Respectfully,



James M. Walters

Postmaster – Snohomish Post Office
Chair – 2005/2006 Combined Federal Campaign of North Puget Sound