

AGENCY RELATIONS ACTIVITIES

This meeting of Monsanto people is an important and vital aspect of the United Fund, because you are gearing up to help raise the \$14,250,000 goal of this year's campaign. The campaign, the money raiser for the Fund, is extremely vital to the United Fund total organization. I'm really not here to talk about raising money - essential as that part of this great community effort may be - but rather to visit with you for a short while about how the money is distributed once you have made your contribution.

Once the campaign pledges are made, the next most important function within the United Fund is the budgeting component. This is delegated by the Executive Committee of the Fund to the Agency Relations Committee and its nine budget panels, a Personnel Review Committee and a Properties Committee.

Last Fall when the budget process had been completed, these panels had held 50 separate meetings, with an attendance of 426 members, expending 7,709 man hours in helping member agencies refine and firm up their budgets.

The 120 panel members are carefully selected and represent a tremendous cross section of the business, professional, labor and homemaker community; they bring expertise to the budget process

from many levels of almost every business and profession. This is important, because the numerous programs and services of the agencies require expertise and knowledge about accounting, law, medicine, nursing, teaching, professional social work, professional recreation, camping, day care, etc.

The Committee and its panels are composed of volunteers, and receive no compensation. They do their job to insure that the metropolitan community's health and social welfare - problems of people - are being taken care of to the best of the community's ability. They take their job seriously and go through a painstaking process to insure that the money contributed to the United Fund is distributed properly and fairly. You are aware that the many agencies supported by the United Fund are involved in numerous activities of health, social welfare, character building and recreation involving all age groups, working toward the solution or prevention of the problems of people. These agencies' services are available to the entire community regardless of race, color, creed or socio-economic levels. They are not restricted to any one group or age; they are for all those who need the services.

During 1972, the United Fund implemented functional

accounting with member agencies to improve ways of doing business, much the same as where companies, like Monsanto, are constantly seeking ways to improve both their products and management. The United Fund has the same challenge. It is constantly seeking improved management in the delivery of services to people who need them. This means, in essence, that there is a shift to a "functional" basis of accounting which requires expenses to be reported by program services or functions, to be identified as part of the cost of a specific program. Thus, this system shows clearly where monies contributed to the United Fund are being used.

This new budgeting process by functions identifies the major programs supported by the United Fund and specifically will show the cost of each particular service. Functional budgeting will be an important tool for the administrative head and the Board of Directors in controlling all agency financial operations. This will help strengthen the administrative capabilities of the member agencies. In addition, the United Fund requires an independent audit of financial records each year, usually by a certified public accountant. We feel that public confidence in an agency often begins with confidence in its financial integrity. An important point to remember is that money is not raised for the United Fund, but by it for

vitaly needed community services performed by member agencies of the Fund. The Fund is obligated to account properly to you and every other giver for this money. This can only be done when proper and adequate financial information is furnished to the United Fund and reviewed, as indicated earlier, by the 120 volunteer business, professional and labor people who are members of the budget panels.

The budgeting process of the United Fund also reviews requests of new agencies for admission to the United Fund. The United Fund maintains an open-door policy for admission of new agencies. New agencies requesting admission are carefully studied, and they must meet numerous criteria to prove they are viable and capable community services with capable management and administrations. An Agency's program cannot only be looked at in terms of how good its intentions are. We must review each service and each program with an accountability factor in mind. The people who contribute monies to the United Fund not only require this, but deserve it. The budget panels review new agency requests for admission from a program and administration standpoint, just as they review all existing member agencies on a yearly basis. The budget panels also make recommendations to the Agency Relations Committee concerning all matters related to an agency's

operation. This Committee is made up of the Chairman and Vice Chairman of each of the nine budget panels, plus four members-at-large from the Executive Committee. In turn, recommendations of the Agency Relations Committee are made for final approval to the United Fund Executive Committee.

An agency which requests permission for a Capital Fund Campaign to either build new facilities or make repairs on existing ones, must first document its request for review by its budget panel. The panel will review a request of this nature very carefully to insure that the renovation or ~~new~~ facility is needed. However, this evaluation of need is only part of the study of a Capital Fund request. We must be convinced that because of renovation or a new facility addition, that the additional operating income will be forthcoming from some source. This intense study is, of course, to guard against building and equipping a new facility without sufficient financial resources for a staff and an operating budget. The panel recommendations are forwarded to the Agency Relations Committee and then to the Executive Committee for final approval.

In that each of the over 100 member agencies receive only a portion of their budgets from the United Fund, they are expected to pick up other income from fees based on ability

to pay, sale of items, such as Girl Scout cookies, income from endowments, etc. Thus, United Fund money is used for only that portion of the budget that cannot be obtained from other sources, on a basic deficit financing basis.

I am sure that you may have heard some criticism of the United Fund and/or some of its member agencies. The Fund, by its very nature, like people, cannot be a perfect organization. The small professional staff and the volunteers who make it so, however, welcome constructive criticism, and even more important, want to be made aware of criticisms and/or rumors. Misunderstandings with agencies and the public are always checked out to insure that the facts are straight and not discolored. There have been many cases where, as soon as the facts are known and disclosed to all parties, situations are satisfactorily worked out.

We don't believe that the problems people face have changed over the years, but they are, perhaps, more visible, due to the efforts of media and spokesman groups. We are all much more aware of the problems than we ever were before.

In some instances, the United Funds have helped the agencies and encouraged them in their quest for governmental dollars, in others the United Funds have not taken an official

position in the matter. An official position on this matter will need careful study and review. Government changes leadership every four years, and with these changes, policies on Governmental funding usually change. We are in a phase of change at the present time.

Voluntarism through organizations like the United Fund and the member agencies have meant a great deal more to the country than the billions of dollars contributed annually through governmental programs.

As voluntary agencies, under no legal mandate to provide services, their motivation is out of a pure desire to solve, or at least cope with community problems. They attract volunteers with sound judgment and skilled experience to give direction to their programs, they have the flexibility to change, alter, or accept new services without legislation, and they have freedom to experiment and innovate. In addition, in an era of depersonalization, they can be concerned about the problems of an individual or of the unique case.

Perhaps the most important single thing offered to the St. Louis community by the United Fund is that it provides the only forum of expression for all of the diverse elements

in a community - labor and management, Catholic, Protestant and Jew, Black and White, Republican and Democrat - all have an opportunity for expression and service not available through any other one organization.

The United Fund and its member agencies are in a unique position to progress toward reuniting a divided community by combining the strengths of the community to solve the problems that we all face. As I have the occasional opportunity to appear before groups like this, I always close out with a warm feeling that all is well, and my last words are a pledge to you that your fair share participation in the United Fund will be distributed to our community's areas of need with thoughtfulness, careful judgment and a determination to make each dollar count that rivals the best effort of any individual or company in our great community.