

WORKING TOGETHER FOUNDATION

ANNUAL REPORT

July 1, 2010- June 30, 2011



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INTRODUCTION

This is the annual report for the Working Together foundation. The Foundation is a private, non-profit 501(c)(3) tax-exempt organization. It is dedicated to providing assistance to current or retired state employees for emergency needs or those of their dependent family members.

As experienced by any large employer with a diverse workforce, state employees face unexpected crisis and tragedy. As the crisis escalates, the financial difficulties deepen and eviction notices are issued or utilities are cut off. State employees are not eligible for all forms of public assistance. An employee may feel isolated during those trying times. It is difficult for an employee to concentrate on the job and put forth the most productive effort when he or she is worried about where the next meal will come from. The underlying philosophy of the Foundation is that state employees can work together to help themselves. This philosophy is reflected in the motto: *“State employees helping state employees”*.

The Board of Directors met for the first time on May 15, 1992, to begin organizing the Foundation. The goal was to begin offering emergency financial assistance as quickly as possible. The Working Together Foundation incorporated as a non-profit organization in 1993. It first participated in the 1993 Colorado Combined Campaign that enabled it to award its first grant on April 16, 1993. Virtually all of the revenue is derived from employee contributions through the Colorado Combined Campaign. Since inception, approximately \$562,943 in emergency financial assistance has been provided to 1,625 employees, including several retirees.

OVERVIEW

THE MISSION

The Board adopted the following mission statement. "Working Together is a non-profit organization that empowers all members of the state family - employees and retirees from all branches of Colorado state government - to cope with emergencies and to grow personally and professionally with an opportunity to help one another."

THE BOARD OF DIRECTORS

The Board of Directors is unpaid volunteers. It is comprised of up to 16 voting members. Eleven members are employees (both classified and non-classified), three are retirees, and two are standing members. One of the standing members is the President of the Credit Union of Colorado (CUofCO) or an appointee, who serves as treasurer, and the other is the Executive Director of the Department of Personnel and Administration (DPA) or an appointee. The members serve staggered three-year terms with the exception of the two standing members who serve for the duration of their appointments. Officers are elected annually. Listed are members of the 2010-2011 Board of Directors.

Matt Azer
Glenda Berry
Billie Busby (secretary)
Lisa Esgar
Karen Fassler (president)
Mona Heustis
Sandi Jones (vice president)
Lenora Kingston
Terry Leis (treasurer)
Leah Marie
Tom Montoya
Heather Perdue
Chris Puckett
Rick Thompkins
Randi Wood
Judy Zewe

The Board may also create up to three functional coordinators who may or may not be on the Board (serve as non-voting members) to work on critical areas such as volunteer coordination and fundraising. The Board has no paid administrative staff. In addition to Board members, individual employees and employee councils from state departments and higher education institutions (departments) also provide support.

THE WORK PLAN

At the beginning of each fiscal year, a work plan is presented to the Board for approval. The focus of the 2010-11 work plan was to expand the network of volunteer contacts to promote the Foundation in order to increase the financial base.

The first priority is *fundraising*. The goal is to expand the source and amount of donations. The Foundation is currently funded almost exclusively through the Colorado Combined Campaign (CCC). The advantage of the state's CCC, which is managed by a state group, is the avoidance of costs to promote the Foundation on its own. The Campaign offers convenient payroll deduction or credit card payments, inclusion of promotional information and campaign costs in the administrative fee, receipt of a portion of the undesignated contributions, and the ability to bring in donors at any time during the year. Unfortunately, when economic times worsen, charitable donations decrease and it has become harder for the Foundation to be an effective safety net. In addition, awareness of the Foundation is low and competition for charitable dollars increases as the number of potential charities in the Campaign increase. Therefore, fundraising is becoming increasingly important.

With decreasing donations, the Board has explored and implemented several options for increasing the ease and amount of donations besides CCC payroll deduction and direct donations. Direct automatic fund transfer is available for members of the Credit Union of Colorado (CUofCO) to the Foundation's account. An application for payroll deduction directly to Working Together was approved under personnel rules and is available to all but those paid through seven payroll systems (require fees or declined to offer the option to employees). The latest method is through an automatic transaction ("ACH") from any financial institution to Working Together's account.

The second priority is a *network of contacts*. The primary objectives are to create a network of contacts in departments who provide basic information and application forms to employees as needed; volunteer to serve as a "speaker's bureau" during the Colorado Combined Campaign; and sponsor fundraising events within their departments. It is a challenge to compile and maintain an accurate list for employee councils. Thus, the Foundation created the Ambassadors program as a means to establish a network of volunteers. The application was developed and tested, and is now ready for posting on the Web as well as other marketing efforts. The effort to expand connections with executive directors and the human resources community also continues.

The third priority is *public relations and marketing*. An objective is to promote Working Together in order to generate increased, stable donations. In addition to publishing the annual report, promoting the Foundation through meetings with the HR community and employee councils, and updating the Web pages and printed materials with the new logo, the *Healthline* and *The Advisor* both print an ongoing box. One goal as part of the branding effort is to designate a "Working Together Month", with the objective of having the Ambassadors coordinate or sponsor annual fundraising events throughout the departments.

FINANCIAL REPORT

The Board’s financial plan is to expend all Colorado Combined Campaign donations for emergency assistance while keeping as much of the other donations as possible in reserve. The strategy for any reserve funds is threefold: (1) generate additional revenue from dividends; (2) provide a cushion for unforeseen expenditures; and, (3) build a funding base to increase the amount of emergency assistance grants or expand foundation services beyond grants.

As a condition of continued participation in the Colorado Combined Campaign, the Foundation must have an annual audit or confirmation of financial statements. The Board approved the expenditure for 2009-2010 and Holben-Hay-Husman, Certified Public Accountants LLC, performed the independent confirmation. The report found the Foundation’s financial activities and cash flows to be in conformity with generally accepted accounting principles.

The major source of income (80%) was from the Colorado Combined Campaign. To date, these contributions provide the only significant steady source of income. The remaining income is from fundraising events sponsored by employee councils or the Board, automatic fund transfers from CUofCO members, direct donations or payroll deductions by individuals, and interest.

Administrative costs were 2% of expenditures during this fiscal year and cover fees, auditor expenses, mailing and copying services, and telephone service. These costs are very low according to several sources. The Colorado Combined Campaign requires 14% or less to participate, the Better Business Bureau cites less than 35% as acceptable for non-profits, and the *Chronicle of Philanthropy* reports 18% to 20% as good. The Board has consciously attempted to keep administrative costs at the lowest possible level in order to maximize funds available for assistance. Thus, the Foundation maintains a mailing address to a box donated by the First Baptist Church of Denver, but has no physical office. Working Together employs no staff, relying on volunteers. In addition, Board members often donate office supplies and share administrative tasks.

FINANCIAL RESULTS			
7/1/10 through 6/30/11			
	INCOME		EXPENSES
CCC (80%)	\$ 19,100.82	Grants (98%)	\$ 22,792.41
Other (20%)	\$ 4,790.84	Operating (2%)	\$ 527.38
Total	\$ 23,891.66	Total	\$ 23,319.79

EMERGENCY ASSISTANCE GRANTS

The Foundation awards financial grants to help with basic necessities during a crisis. Awards are made on a "first come" basis. Basic necessities include food, clothing, uninsured medical expenses, housing, utilities, and so forth. Assistance is not provided for debt consolidation, litigation, non-essential items, or other expenses deriving from non-emergency situations. Payments are always made to third-party creditors to ensure the integrity of the program and maintain donor confidence that the money is spent as intended, e.g., forestall eviction or utility shut off. Any permanent state employee in any branch of state government who has six months of service may apply for assistance.

In keeping with the goal of assisting as many as possible, grants are limited to a maximum of \$500 per applicant depending on the availability of funds. At this point, the Board has not been able to consider raising the limit and first time requestors are given priority. Repayment is appreciated but not required.

By June 30, 2011, the Foundation had processed 134 applications (1894 total since inception). One hundred twenty-seven (127) applicants received grants. One application was canceled by the employee. Six (6) applications were not approved: three (3) ineligible applicants, one (1) ineligible expenses, and two (2) for lack of funds at the time. The unmet need for 2010-2011 was \$34,590. The total unmet need over the past nine (9) years totals \$194,054.

In terms of approved applications, 17 were received from the Judicial branch, 110 from the Executive branch (75 general government and 35 higher education). The most common reason for requesting help was due to medical conditions, followed by loss or reduction of income (e.g., spouse unemployed or state furloughs). Other reasons to request assistance were notice of utility shut off, potential eviction or foreclosure, and victims of crime. The most common use of grants was for housing, followed by utilities and uninsured medical costs. Thirty-three (33) work cities included, Aurora, Boulder, Brighton, Colorado Springs, Denver, Durango, Fort Collins, Golden, Grand Junction, Greeley, Lakewood, Pueblo, Sterling, Trinidad, and Wheatridge.

APPROVED GRANTS					
Reason In Need of Assistance	#	%	Use of Grant Monies	#	%
Utilities	6	5	Housing	50	39
Medical	57	45	Utilities	36	28
Income loss/reduction	29	23	Medical	27	21
Combination (e.g., medical, utilities, loss income)	17	13	Combination (e.g., utilities, medical)	3	2.4
Housing	10	8	Burial	3	2.4
Death	5	4	Child Care	4	3.2
Victim of Crime	3	2	Clothing or Food	4	3.2
Total	127	100	Total	127	100

Percentages may not be exact due to rounding.

DEPARTMENTS RECEIVING GRANTS			
	# Departments	# Applications	% Grants
General Government	16	75	59
Higher Education	16	35	28
Governor's Office	0	0	0
Subtotal	29	110	87
Judicial Branch	1	17	13
Legislative Branch	0	0	0
Retiree	N/A	0	0
Total	30	127	100

Percentages may not be exact due to rounding.

DEPARTMENT DISTRIBUTION			
Department	# Apps	Granted	
		Yes	No
Personnel & Administration	3	3	0
Agriculture	2	2	0
Corrections	11	11	0
Education	1	1	0
Public Health & Environment	2	2	0
CU Boulder	6	6	0
CU Denver	8	8	0
Colorado State Univ	5	5	0
Colorado State Univ-Pueblo	1	1	0
Comm. College of Aurora	2	2	0
Front Range Comm College	1	1	0
Pikes Peak Community College	1	1	0
Red Rocks Community College	1	1	0
University of Northern Colorado	1	1	0
Colorado School of Mines	1	1	0
Auraria Higher Educ. Center	3	3	0
Fort Lewis College	2	2	0
Metropolitan State College	4	3	1
Transportation	11	9	2
Human Services	18	18	0
JUDICIAL	17	17	0
Labor & Employment	4	4	0
Law	1	1	0
Local Affairs	1	1	0
Natural Resources	5	5	0
Public Safety	3	3	0
Regulatory Agencies	2	2	0
Revenue	7	7	0
Health Care Policy & Financing	4	4	0
State	2	2	0
Canceled	1	0	1
Not Employee/Retiree	3	0	3
Total 30	134	127	7

GEOGRAPHIC DISTRIBUTION			
Work City	# Apps	Granted	
		Yes	No
Alamosa	1	1	0
Arvada	2	2	0
Aurora	8	7	1
Boulder	6	6	0
Brighton	3	3	0
Canon City	1	1	0
Centennial	1	1	0
Clark	1	1	0
Colorado Springs	8	8	0
Commerce City	1	1	0
Craig	1	1	0
Crowley	1	1	0
Denver	45	44	1
Durango	3	2	1
Eagle	1	1	0
Fort Collins	11	11	0
Golden	2	2	0
Grand Junction	2	2	0
Greeley	2	2	0
Homelake	1	1	0
Idaho Springs	1	1	0
Lakewood	7	7	0
Limon	1	1	0
Longmont	1	1	0
Morrison	1	1	0
Nathrop	1	1	0
Pueblo	7	7	0
Sterling	2	2	0
Trinidad	1	1	0
Westminster	1	1	0
Wheatridge	5	5	0
Yampa	1	1	0
NA	4	0	4
Total	33	127	7