

Hard times hit OC United Way

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The [Orange County United Way](#) - a lifeline for the needy, and one of the county's larger non-profits - is seeing donations dwindle as demands for services increase.

Revenues were down **13 percent** last year, while requests for food and counseling services nearly **doubled**.

Despite the drop in revenue, United Way still managed to distribute the same amount of grant dollars to organizations that help the needy as it did last year: **\$18.3 million**.

The economic difficulties have sent families in Orange County rummaging around for basic necessities, seeking help in ways the community has never experienced before, said United Way officials.

DEMAND UP



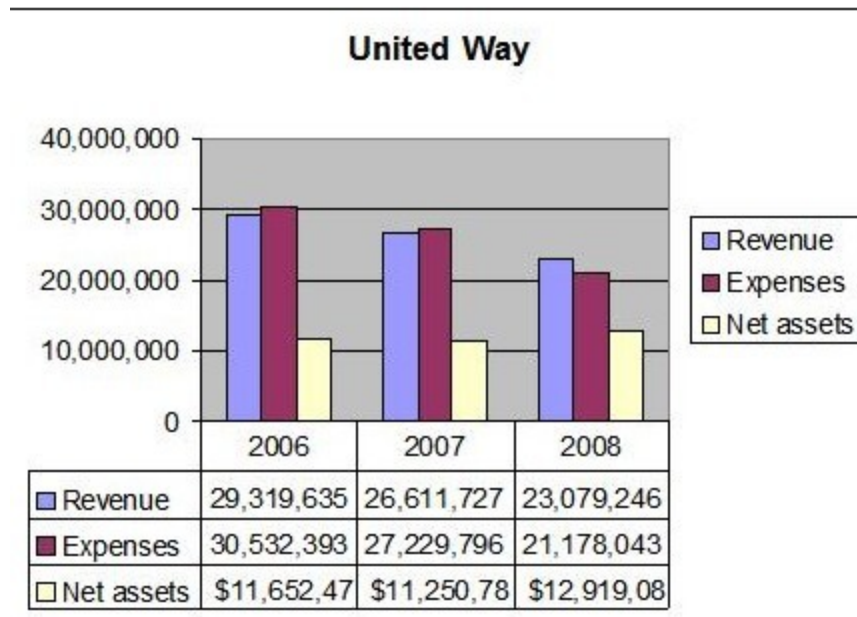
Food requests increased by **98 percent** from July 2008 to July 2009. Requests for rental assistance rose **42 percent**, and requests for counseling services were up **84 percent**, according to the 2-1-1 Orange County referral hotline used by United Way.

Emergency Services Program, a partner of United Way that provides food, shelter, clothes, and transportation and rental assistance to those in need, has seen a difference in the clientele seeking services.

“It’s now those that have never been without and never lost jobs,” said **Connie Jones**, the director of the program. “It’s the middle class now and it’s tough for them to come ask for assistance. Some of our clients used to be donors and now they have to walk in our doors and ask for help.”

REVENUE DOWN

And while the need is growing, the United Way’s revenues are not. In the chart below you can find a breakdown of revenues, expenses and net assets over the last three years. The Orange County United Way has seen revenues drop **21 percent** (from **\$29.3 million** in [2006](#) to **\$23.1 million** in [2008](#)).

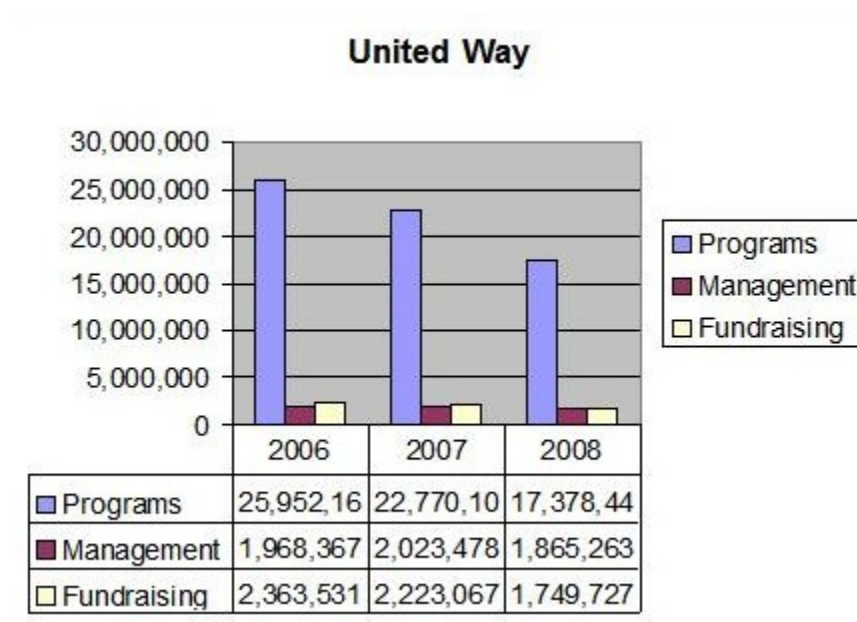


STILL EFFICIENT

Now the amount of money United Way has to work with is shrinking- that we know. But where does the money it does receive go? We did some number crunching to see how the neediest of Orange County are faring in the midst of the United Way's declining revenue:

- **82 percent** of spending went to programs (nonprofit watchdog **Charity Navigator** looks for about **75 percent** spending here). The organization funds over **80 [health and human care programs](#)** throughout Orange County.
- **9 percent** was spent on management (CN says this number shouldn't exceed **10 percent**). It cut overhead costs by **14 percent** this year.
- and **8 percent** for fundraising (the CN says no more than **10 percent**).

Here you can see where the spending goes:



MAKING ENDS MEET

United Way tells us it has gone to great lengths to ensure that, despite tough times in the neighborhood, it is providing essential services such as food, shelter and medical care to those in need.

The company had **58** employees at the beginning of the 2007-2008 campaign year; it currently has **36**. In addition to staff cuts, officials told us that the budgets within each department were also cut.

“We needed to do the responsible thing,” said the president and CEO **Maria Chavez Wilcox**, [who has seen her compensation drop \(see details here\)](#). “We had to cut ourselves first, to ensure that as much money as possible was going to people in the community.”

Earlier this year we reported that it had to use money from its emergency fund, which is usually set aside for natural disasters, in order to help fund its [Bridge the Gap Campaign](#). (And this seems to have proved beneficial- at least until disaster strikes; the operation ultimately secured **\$300,000** that was released this month to **30** non-profit partners that provided food, shelter, medical care and job training.)

Desperate times have also required that the United Way shift from a three year funding cycle to a one year in order to assist in the most pressing issues of community members.

The human services end of philanthropy is the least glamorous. In 2007, a **Register** analysis found that Orange County’s millionaires and billionaires pumped more than a **half-billion dollars** of high-profile gifts into charitable causes over two years - but that *none* of the megagifts (for **\$1 million** or more) directly addressed the immediate needs of the poor, such as food or shelter. And *that* was at a time when the economy was booming.

“We need individuals to open their hearts and their pocketbooks to the United Way,” said Wilcox. “What we need is faith, heart and resources and for people to consider supporting the effort that haven’t before and continued generosity from those that have.”