

**F.M. KIRBY FOUNDATION SOLICITATION EVALUATION FORM**

**DATE:** March  
**Last grant acknowledgment:** Yes  
**Program Area:** Human Services

**REQUEST DATE:** February 3, 2023

**APPLICANT:**  
United Way of Wyoming Valley  
2nd Floor  
100 N. Pennsylvania Avenue  
Wilkes-Barre, PA 18701

**CONTACT:** Mr. William M. Jones, President

**PHONE:** 570-829-6711

**PAYEE OTHER THAN ADDRESSEE:**

**AMOUNT REQUESTED:** \$100,000 **NATURE OF REQUEST:** For general operating support

**GRANT HISTORY**

**SUPPORT:** 1975 - 2022    **# OF GRANTS:** 48    **TOTAL DOLLARS:** \$2,850,500

**LAST GRANT DATE:** 5/2/2022

**LAST GRANT AMOUNT:** \$100,000

**FYE DATE:** 6/30/2022

**AFS DATE:** 11/15/2022

2018	\$90,000	12/10/2018	For: Annual allocations to community-based social service agencies and programs
2019	\$90,000	12/16/2019	For: Annual allocations to community-based social service agencies and programs
2020	\$100,000	12/14/2020	For: Annual allocations to community-based social service agencies and programs
2021	\$125,000	5/3/2021	For: Annual allocations to community-based social service agencies and programs (additional \$25,000 of support is in recognition of the United Way of Wyoming Valley’s Centennial Anniversary)
2022	\$100,000	5/2/2022	For: Annual allocations to community-based social service agencies and programs

**DLK COMMENTS:** See financial analysis.

**JFT COMMENTS:** The mission of the United Way of Wyoming Valley (UWWV) is to assess, on a continuing basis, the need for health and human service programs, especially as these relate to childhood poverty; to foster cooperation among local, state, and federal agencies serving the community; and to raise funds among individuals, business enterprises, trusts, and foundations for the benefit of the education and health of children, the financial stability of families, and safety net services for the community.

JJK, LDC, and I have had recent Zoom meetings with the United Way of the Greater Triangle (UWGT) and the United Way of Northern New Jersey (UWNNJ). My opinion of these organizations is that UWGT has a real “boots on the ground, pulse of the community needs” feel to

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it, and UWNNJ feels a little more conceptual considering its ALICE (Asset Limited, Income Constrained, Employed) reporting and its concentration on the state of the ALICE population over providing direct services to the community. But the UWWV is an almost old-fashioned, “good neighbor” community service organization. This is my observation after reviewing the UW grants for many years.

As Bill does each year, the proposal summarizes *Grade Level Reading, Afterschool Providers/Summer Learning, School Attendance, and Community Impact* programs. Most of the programs have seen an increase in participation in the last year. There were also increases in most of the services provided through their *Poverty to Possibility, Safety Net, and Signature Initiatives* services. Though the total number of children served decreased by 12% (-2,108), notable increases include aiding individuals to avoid eviction (+97/107%); books distributed to Wyoming Valley children to ensure children are reading at grade level by the end of third grade (+10,256/34%); providing (since inception in 2021) 400 pairs of eyeglasses for school students (+174/77%); and performing school-based interventions with community navigator to improve attendance (+350/125%) – an obvious increase due to children back in the classroom post-COVID.

Bill provided an update regarding DEI, noting, “In 2022, all United Way staff completed 7.5 hours of DEI training led by Dan Kimbrough, the leader of the Greater Wyoming Valley Chamber of Commerce’s Diversity Committee Chair.” UWWV also “had two sessions where the board members went to Mt. Zion Baptist Church, a church in Wilkes-Barre with a very large minority congregation, to meet with black and Hispanic members of the community to gain a better understanding of what it is like to be a minority in Wilkes-Barre. The pastor of the church is a board member of the United Way of Wyoming Valley, and he facilitated the conversations. They were very robust sessions and topics of local discrimination, biases, community engagement, school, needs of children, etc. were discussed.”

Bill had mentioned to me in the past the need to increase the number of minority teachers in their local school districts. The request outlines a Future Educator’s Pipeline. Currently, among 500 faculty in local school districts, only seven are minority teachers. Good news is, “The Wilkes-Barre Area School District is piloting a ‘co-op’ program and has encouraged 11 seniors to participate. These students leave their high school during the school day and go to one of their elementary school buildings to assist/aid an elementary teacher. Of the 11, nine are minority students. The United Way has been convening a monthly meeting of all five area colleges and universities, local school districts, early education professionals, and others, to discuss the shortage of teachers and the lack of minorities in the profession. Several of the colleges are ‘courting’ the 11 participants in the pilot program at Wilkes-Barre Area schools, and all 11 have been offered opportunities to enroll in Young Scholars programs for this Spring semester; all 11 have accepted. In addition, eight of the 11 have been accepted as education majors at one of the universities for next fall! Additionally, the Wilkes-Barre Area expects to double the number of students who participate in the ‘co-op’ program next year and, at this point, three other school districts are looking to replicate Wilkes-Barre Area’s model in their districts next fall.” The UWWV participation was integral to launching this pilot.

I had questions regarding the proposal (including information in the request that had not been updated). Unfortunately, Major Gifts and Planned Giving Officer, Michael Bernhardt, was unable to provide all of the information I was looking for. Also, Jennifer Deemer, Vice President of Community Impact for 9 years (and my go-to person), left UWWV last November. Bill Jones contacted me. First of all, he was very disappointed that Michael had not updated information (too much copy and paste!). **(JJK: I’ll add here that the cover letters of both the original and**

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revised copies say, “Our 2021 Annual Campaign has been a bit of a challenge and we are finding ourselves behind last year at this time.”) Bill stated that it was ultimately his responsibility and apologized. The FMKF is UWWV’s top donor, and he would not want to do anything to jeopardize support. I was sent an updated request but kept the original so the team can see why I posed the questions I did.

I inquired about the disbursement of twenty grants awarded to Luzerne County nonprofit programs totaling \$697,699 since the dollar amount has been the same for the past three years. Bill stated that these are the federal dollars allotted to the Emergency Food and Shelter Program. The funding costs in 2021 and 2022 (\$697,699) were the same, and for FY23, 14 grants for \$762,409 were awarded to Luzerne County nonprofit programs.

Considering JJK’s 2022 comments regarding grade-level reading, I asked Bill how 3rd-grade reading proficiency was “post-pandemic.” Sad to say, reading competence prior to the pandemic (2017-2018 and 2018-2019 school years – no testing 2019/2020 school year) for 3<sup>rd</sup> graders (Wilkes-Barre) was 47.9% and 43.2% respectively (which is not good), but proficiency was even worse for the 2021-2022 school year at 23% (Wilkes-Barre). Other schools in Luzerne County fared better, but all post-COVID results were poor. This is a major concern for UWWV.

Regarding UWWV Logic Models, attachment X of the request (Community Impact Initiatives Report/Our Impact) provides outcomes (some of which are noted above: *Poverty to Possibility*, *Safety Net*, and *Signature Initiatives*). 2023-2025 Logic Models remain very similar to past strategies but now include “Impact Goals.” Bill stated that each participating organization provides a large amount of data, and UWWV creates an “Agencies’ Indicator Report” to monitor progress but has not yet determined how to integrate the information into the Logic Models. Bill is seeking approval from his Board for \$25K for an impact study to be performed by The Institute for Public Policy & Economic Development at Wilkes University (a plan that originated last year) to gauge community impact. The study will look at what they are doing and how they can improve.

Board membership decreased from 29 to 24 with 11 members transitioning off, and 6 new members were added, including Reverend Michael Brewster of the above-mentioned Mt. Zion Baptist Church.

UWWV keeps us well informed through regular email correspondence. I believe that the FMKF support for annual allocations to community-based social service agencies and programs remains relevant and a solid investment. I recommend the budgeted \$100K as designated below.

**JJK COMMENTS:** The numbers of reading proficiency showed a shocking and depressing dip, a reminder that the effects of the pandemic in terms of learning loss will continue to reverberate. Some of the numbers are simply staggering: at the Dan Flood Elementary School in Wilkes Barre, 46% (almost half) of students were proficient or above in the 2017-2018 academic year. In 2021-2022, that number had dropped to 11.8%. At Solomon / Plains, scores went from 74% to 33% in the same period.

Unfortunately, I don’t feel confident that UWWV’s Grade Level Reading program is equipped to address this (I am of course not sure who else is working on this problem in the area). The Reading Buddies and National Summer Learning Week programs, to me, offer not much more than a feel-good half hour for the adult volunteer. I am more hopeful for a program like See to Succeed, which ensures that children can receive vision correction services. I wonder if UWWV has considered

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starting earlier by partnering with the Reach Out and Read programs in Wilkes Barre and Kingston.  
**(JFT: I'm happy to make this suggestion to Bill.)**

It remains surprising to hear that FMKF is the UWWV's single largest funder, year after year. As I noted last year, you can't help but wish that this United Way also got the attention of big funders like Mackenzie Scott and Peter Buffett. That said, it is interesting to note that UWWV has a higher operating budget than UWNNJ (though UWNNJ's supporting services are 32%, versus 13% for UWWV). Moreover, until UWNNJ received the Scott gift, UWWV had more investments and a higher endowment than both other UWs we fund.

I recommend \$100K for allocation to community-based social service agencies and programs.

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<b>FM KIRBY FOUNDATION</b>			
<b>Financial Statement Analysis</b>			
<b>Grantee Name:</b>	United Way of Wyoming Valley	<b>Date:</b>	2/8/2023
<b>Prepared By:</b>	DLK		
<b>Grant Request Amt.</b>	\$ 100,000	<b>Type of Financial Report Submitted</b>	Audit
<b>Budgeted Amt.</b>	\$ 100,000	<b>Period Covered in Financial Report</b>	FYE 6/30/22
<b>Audit Firm</b>	Kronick Kalada Berdy & Co.	<b>Date of Report Issuance</b>	11/15/2022
<b>Opinion</b>	Present Fairly		
<b>Basis of Acctg.</b>	GAAP		
<b>Current Ratio (Liquidity Ratio/Working Capital Ratio)</b>	1.74	<b>Amount of Unrestricted Net Assets (Operating Reserve)</b>	\$ 9,438,897
<p><b>Note:</b> A current ratio measures an organization's ability to pay short-term and long-term obligations. The higher the ratio, the more capable the organization is of paying its obligations. A ratio under 1 indicates that the organization's liabilities are greater than its assets.</p>			
<b>Allocation of Functional Expenses</b>	6/30/2022	<b>%</b>	<b>Must Read Financial Statement Notes</b>
<b>A. Program Service Expenses</b>	\$ 6,445,458	87%	Ideally program expenses should be at least 70% of budget
<b>B. Management and General</b>	\$ 535,357	7%	
<b>C. Fundraising</b>	\$ 436,357	6%	
<b>D. Total Expenses</b>	\$ 7,417,172	100%	
<b>Comments/ Notes:</b>			
<p><u>FY23 Budget</u> - Please note that all comparisons are FY23 budget vs FY22 budget, not FY22 actuals. The FY23 budget is projecting a deficit of \$140K vs a \$5K operating surplus (pre-endowment) for FY22. Total revenues are budgeted for a modest increase of \$110K (2%) with grant/contract income up \$602K/19% and campaign revenue down \$436K (16%). Total expenses are budgeted to increase by \$255K (4%), primarily due to increased grant/contract expenses (up \$591K/24%) and decreased other expenses (down \$170K/8%).</p>			
<p><u>FY22 Audit</u> - UWWV had a \$815K deficit for FY22 vs a surplus for FY21 of \$6.4M. Total revenue declined by \$5.9M (47%), primarily due to a negative swing in investments of \$6.6M. Grants/contracts grew \$1.1M (29%) and net campaign revenue grew slightly, up \$32K (1%). Approximately 75% and 20%, respectively, of the Organization's grants and contracts revenue was from two programs. Total operating expenses grew by \$1.3M (21%), with program services (all HIV/ODU health planning) up \$1.1M (21%) and supporting services up \$152K (19%). The organization had investments valued at \$20.8M as of June 30, 2022, of which \$12.4M was endowment-related. The Organization had no material weaknesses or significant deficiencies identified in internal controls. There were no red flags as a result of my review.</p>			

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**DISPOSITION:**

- Declination
- Hold for review on/about:
- Approval for: **\$100,000**
- Hold for Board Review
- Insert Information: **For: Annual allocations to community-based social service agencies and programs**
- Other:

Initials: JK Date: 3/30/23  
Check #: \_\_\_\_\_ Date: \_\_\_\_\_