UNITED WAY
Rhode Island

CAMPAIGN LEADER RESOURCES

Policy on Unpaid Payroll Pledges

How United Way of Rhode Island treats payroll pledges that are not fulfilled, and what that means for gifts designated to other nonprofits.

> The policy statement below is reproduced from the language printed on United Way of Rhode Island's own pledge form. The current unfulfilled-pledge factor and the review details are left blank for United Way to complete, and the finished sheet should be reviewed by United Way before it is published.

THE POLICY

Pledges must be fulfilled within one year of the pledge date.

If a donor uses payroll deduction to designate a gift to another nonprofit, the total gift forwarded to that nonprofit is reduced by an unfulfilled pledge factor. This is necessary to protect United Way of Rhode Island against financial harm as a result of unfulfilled pledges.

CURRENT FACTOR

Factor	current unfulfilled pledge factor, as a percentage
Applies to	campaign year / effective date
Reviewed	date last reviewed, and by whom

WHAT THIS MEANS IN PRACTICE

- **For donors.** A designated gift reaches the chosen nonprofit net of the factor. Donors who want the full amount to reach an organisation can give by cash, cheque, credit card, or securities rather than payroll deduction.
- **For campaign leaders.** Expect this question at kickoff. It is a common one, and answering it plainly builds trust in the campaign.

- **For designated nonprofits.** Distributions reflect funds actually received, not funds pledged.

TAX RECEIPTING

Contributions to United Way are deductible within the limits of current law. Gifts of $250 or more received by December 31 receive a confirmation letter from United Way in line with IRS regulations, sent before January 1. Donors who contribute by payroll deduction do not receive a tax letter, as their pay stub serves as the receipt.

QUESTIONS

Contact Sylvia Mburu, Director of Corporate Relations, at sylvia.mburu@unitedwayri.org or (401) 648-9149.