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Program Funding Policies & Procedures

Revised and approved by United Way of Henderson County Board of Directors November 18, 2015



Program Funding Policies & Procedures

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I. INTRODUCTION

A. Mission, Vision, and Values Statements

Mission

We organize and mobilize community resources to improve lives in Henderson County.

Vision

To be a catalyst in making a positive and lasting impact on the human condition in Henderson County.

Values

In everything we do, we will conduct ourselves with care, passion, and integrity to improve the human condition of our neighbors through: our accountability, focus, and partnerships; nurturing and developing our human resources; and empowering our donors.

B. Goals

1. **Community Leadership**—to be recognized by human service agencies and the community at large as an organization that inspires, mobilizes, and leads a caring community to work together to create a positive force for change in Henderson County.
2. **Community Engagement**—to establish and continuously improve the annual fundraising campaign that is energetic, passionate, empowering, and inclusive of all Henderson County residents.
3. **Community Building**—to craft a human care agenda for Henderson County, build coalitions around this agenda, and allocate resources in the most effective manner to improve lives and our community in accordance with it.
4. **Community Relationships**—to establish and continuously improve collaborative relationships with donors, human service agencies, local human service funders, and other community and regional stakeholders.
5. **Community Accountability**—to exercise exemplary stewardship of donors' investments in their community through uncompromising ethical standards and best business practices.

C. Relationships with Partner Agencies

1. **Community Objective.** United Way of Henderson County (UWHC) looks upon its relationship with agencies receiving UWHC funding as that of a joint undertaking expressed in terms of what is best for the community. Each agency's program and activities must be a part of a total community objective and will be evaluated accordingly.
2. **Community Resources.** UWHC will effectively allocate community resources in cooperation with community partners to meet identified community needs.
3. **Eligibility Requirements.** Agencies must meet UWHC funding eligibility requirements, and programs must address at least one UWHC Target Issue, avoid duplication of effort, and perform with accountability and responsibility for the use of allocated dollars. A program must have a measurement tool in place to determine the effectiveness of the

services provided and the benefit to its clients. All agencies must meet date deadlines when submitting Eligibility Criteria, Program Intent and Applications. Agencies that miss deadlines will not be eligible for funding.

4. Best Practices. The board of directors and staff of each agency are responsible to use best practices to administer its internal affairs and ensure that the program services they provide are effectively and efficiently addressing the current health and human service needs of Henderson County.

II. PARTNERSHIP

A. Partnership Agreement

The partnership agreement is a UWHC form that is annually reviewed and approved by the UWHC Board. The document accompanies the annual program funding award letter and is negotiated and signed by the agency executive director and board chair or designee and the UWHC executive director and board chair or designee. By signing the partnership agreement, the agency agrees that it will adhere to the conditions of the partnership, standards, policies, and procedures of UWHC. Any special conditions required by the UWHC or the agency will be included in the partnership agreement.

B. Eligibility Requirements

1. Funding Eligibility. Agencies must satisfy the requirements of the UWHC Agency Funding Eligibility Criteria to apply for program funding. To be considered for funding, a program must address a UWHC Target Issue under Education, Income or Health with the goal to help UWHC meet HC 2025 Community Impact goals or apply under Basic Needs/Crisis Services. In addition, the agency must be a 501(c)(3) with at least a two-year history of providing health and human service programs to the residents of Henderson County. Agencies must also submit all forms and documents required in the Eligibility Criteria online package. The program for which the agency is seeking funding must have been in existence for at least one year and have measurable program results. Please see #3 below for an exception for new programs.
2. Collaborations. Agencies may combine resources and apply together in a new collaborative program addressing one or more of the UWHC 2025 Target Issues or UWHC identified Community Impact gap in services. Agencies wishing to collaborate and apply for funding are required that at least one of the agencies is a current United Way funded partner. In the application, an explanation on which agency will be the fiscal agent is required.
3. New Programs. New programs are required to meet United Way's Eligibility Criteria. Applications will require an expanded budget detail and program description.

C. Non-Compliance/Termination Policies

1. Voluntary Termination. A partnership agreement may be terminated by either party with three months written notice to the other party. In such cases the agency shall be entitled to its monthly allocation until the termination date; however, in the case of embezzlement, or failure to meet the requirements as stated in the UWHC Agency Funding Eligibility Criteria, or wrongdoing on the part of the agency or program staff, funds may be withheld immediately. In any case of termination, the agency will cease to identify itself as a UW agency, and UWHC will cease to include the agency as one receiving program funding.

2. Non-Compliance Policy. In the event an agency appears to be in violation of UWHC policies contained in this document, a letter will be sent notifying the agency that an inquiry will be made by the UWHC executive committee. UWHC will notify the agency by letter of any problems or concerns found as a result of the inquiry. The agency will have 10 days to respond and 30 days to correct the issue. UWHC actions affecting program funding require the approval of its board of directors. Possible actions include withholding the agency's monthly funding.

D. UWHC grant process format

The UWHC grant process is electronic.

III. FUNDRAISING and CO-MARKETING

A. UWHC Campaign

1. Annual Campaign. UWHC will conduct an annual community-wide fundraising campaign and Funded Community Partners are required to participate by holding their own internal United Way campaigns. The traditional time frame for campaign is between September and January. However, UWHC recognizes the diverse needs of organizations that conduct campaigns. If your organization prefers a non-traditional time to hold your internal United Way campaign, please contact UWHC will assist campaigns through the year. Agency will:
 - a. Provide speakers, agency tours, agency fair displays, and program information material as needed to assist the UWHC Campaign Cabinet.
 - b. Encourage agency staff and board members to give to the annual campaign.
2. Capital Campaigns. A partner agency planning to conduct a capital fundraising campaign will notify UWHC once the campaign has been approved by the agency's board of directors.

B. Partner Agency Fundraising Activities

UWHC expects the development of other funding sources by partner agencies. As part of the UWHC funding application, agencies will be required to submit a Proposed Fundraising Activities Plan that will note special events, promotions, recognition months, etc.

C. Marketing

1. UWHC is committed to promoting Funded Community Partners' programs and services to the community. For UWHC to effectively communicate and market those programs and services, Funded Community Partners will be expected to:
 - a. Identify their programs as United Way Funded Programs in materials and information provided to the media (including advertisements, articles and press releases) and other public presentations.
 - b. Use the current UW logo provided by UWHC on all appropriate printed material including stationery, newsletters and annual reports.
 - c. Use the current UW logo provided by UWHC on all e-newsletters and websites.
 - d. Do not include the UW logo on solicitations, event invitations or social media sites.
 - e. Identify the agency as one with supported programs by displaying a sign provided by UWHC in a prominent place on the agency's premises.

2. If Funded Community Partner (FCP) desires a United Way of Henderson County staff member at fundraising events to support your mission, the FCP is encouraged to provide complimentary ticket(s) three week in advance of the event.

D. 2-1-1 Information & Referral Line

It is expected that an agency receiving UWHC program funding list its programs on NC 2-1-1 information and referral line, and that the agency will provide annual program updates when requested by NC 2-1-1. The agency should have NC 2-1-1 cards available for its clients; the cards will be provided to all funded community partners by UWHC. The agency is encouraged to include the NC 2-1-1 logo as provided by UWHC on its website.

IV. FUNDS DISTRIBUTION

A. Overview

In early 2010, UWHC and WCCA completed an extensive assessment of a cross-section of Henderson County residents about what they thought were the most critical needs in our community. Community volunteers took all of the collected assessment data and started refocusing the work of United Way. In June 2010, the UWHC Board adopted four focus areas and 17 community objectives with the goal of making lasting improvements in Henderson County. In 2011, UWHC began the fundamental change towards Community Impact. This process involved many volunteers, community leaders, UWHC staff and community experts meeting to refine the future focus of UWHC. Through this process the Henderson County 2025 (HC 2025) goals were established. This document narrowed the four focus areas and 17 objectives to six community objectives under Education, Income and Health while maintaining funds for basic needs/crisis services of Henderson County residents.

The UWHC Board-approved focus areas are listed below.

B. Henderson County 2025 Community Impact Target Issues

1. Education

- a. Target Issue: Kindergarten Readiness
Objective: Increase the percentage of Henderson County children entering Kindergarten ready to learn.
- b. Target Issue: School Readiness
Objective: Improve the school performance of economically disadvantaged students.

2. Income

- a. Target Issue: Financial Stability
Objective: Target Issue Decrease number of individuals living below the poverty line.
- b. Target Issue: Affordable Housing
Objective: Increase number of families and individuals who have affordable, safe, decent housing.

3. Health

- a. Target Issue: Reducing Obesity
Objective: Decrease the number of obese children and adults.
- b. Target Issue: Healthy Youth Behaviors

Objective: Decrease the use of drugs, alcohol, and tobacco among middle and high school youth. Decrease teen pregnancy.

4. **Crisis Services**

- a. Objective: Provide food, clothing, housing, utilities to Henderson County to Residents who are/have experienced unexpected loss.

5. **Basic Needs**

- a. Objective: temporarily provide services to meet the minimum needs of HC residents.

C. Program Funding:

1. Funding Cycle. United Way of Henderson County funds programs rather than overall agency operations. Funding is distributed on a July 1 – June 30 cycle.
2. Funding Criteria. Program funding is competitive, allowing UWHC to fund programs that best meet the needs of the people of Henderson County. No program, regardless of whether it has received funding in the past, is guaranteed funding. Agencies must first satisfy the requirements of the UWHC Agency Funding Eligibility Criteria to apply for program funding. To be considered for funding, a program must meet a UWHC HC 2025 Target Issue with the results to assist UWHC reach our community goals.
3. Program Evaluation Panels. There are four Program Evaluation Panels, one each for Education, Income, Health, and Basic Needs/ Crisis Services. Volunteers are trained and have expertise on target issues, review and evaluate program funding applications.
4. Closed Designation. UWHC will continue as a closed designation organization, accepting designations restricted to UWHC funded programs, UWHC target issues, other UWHC specified foundations or United Ways.
5. Separate Stream Designations. Designated donations will not be added to the Community Impact Fund for allocation. Funded Community Partner agencies will be notified in February, and again in May, about donor designations from UWHC campaign. UWHC expects that these donations will be acknowledged by the agency with a letter to the donor. The acknowledgement letter should not include the donated amount. The UWHC donor is not to be added to the agency's donor list.

Designated contributions will be considered separate stream designation as indicated by the donor to specific programs.

6. Communication. If UWHC anticipates funding decreases due to a decline in campaign contributions or for other reasons, it will communicate that information in a timely manner to its funded community partner.

D. Funding Meeting and Funding Application

1. Funding Meeting. UWHC may require agencies applying for funding to attend a mandatory meeting to receive information about the upcoming funding cycle, if the Community Investment Council determines that such a meeting is necessary. If such a meeting is called, attendance at the meeting would be expected for an agency to be considered in the upcoming funding cycle. In addition to notifying agencies, a press release of the annual funding meeting would be provided to the local media.
2. Program Intent. After eligibility to apply for UWHC funding is granted, agency must

contact UWHC Director of Community Impact to establish the target issue(s) for which they will apply. UWHC's online application process requires setting up the system for a specific target issue.

3. Funding Application. Applications and an in person interview are required. UWHC will notify agency regarding interview schedule. If an agency's Funding Application is not received by UWHC on or before the specified deadline, the agency is not eligible for program funding.
4. Mid-Year and Year-End Reports. Due on a schedule and in a format prescribed by UWHC, Mid-Year and Year- End Reports are required for each program receiving UWHC funding. If there are compelling reasons and/or changes in program results, the agency or UWHC have the option to schedule an in person review. If an agency's Mid-Year or Year-End Report is not received by UWHC on or before the specified deadline, the agency is in violation of UWHC policies contained in this document. (Refer to II.C.2.)

E. Program Evaluation Panel Review

1. Role of Panels. Community volunteers and volunteers with expertise specific to a Program Evaluation Panel's objectives evaluate applications for UWHC funding. Panels include six to ten volunteers, and the chair for each panel is a member of the UWHC Community Investment Council (CIC). Panels conduct a detailed review of each program funding application and meet face-to-face with agencies seeking program funding. Each chair makes a fact-based funding recommendation for programs reviewed by his/her panel to the CIC.
2. Panel Expertise. Panel members are expected to serve multi-year terms and to collectively develop expertise concerning the issues within their focus area and to advise the CIC about needs, priorities, services, and program effectiveness within each focus area.
3. Program Evaluation. Panel members will use a consistent program evaluation form to guide them as they review each program funding application.

F. Community Investment Council (CIC)

1. Role of the CIC. The CIC consists of the chair, who is a UWHC Board member, the Co-Chair, who is a UWHC Board member, the focus area panel chairs, staff support, and any other member appointed by the UWHC Board. This is a year-round, standing committee with the responsibility of recommending all actions regarding the distribution of funds. The CIC reviews funds allocation issues, whether they occur during the normal funding cycle or not, and makes recommendations quarterly and annually to the UWHC Board of Directors through the executive committee.
2. Review. The first responsibility in the normal funding cycle is for the CIC to review agencies to meet Eligibility Criteria. Once met, programs must complete Funding applications.
3. Responsibilities of the CIC. The CIC makes recommendations for funding based on the program evaluations of the Program Evaluation Panels and the priorities set forth by the UWHC Board of Directors. The CIC chair takes any and all recommendations to the Executive Committee and also makes the presentation of the funding recommendations to the UWHC Board for approval.

G. Award Letter and Partnership Agreement

When the UWHC Board approves the annual recommendation of program funding, an award letter and partnership agreement for the funding period is sent to each agency that has been approved for program funding. These documents provide the amount of funds granted, any conditions or contingencies for the funding, recommendations from the review panels, and any special arrangements. The partnership agreement between UWHC and the agency must be signed by the agency director and agency board chair and returned to UWHC within a specified time frame as indicated in the funding award letter.

H. Appeals

The funding process is structured to ensure a thorough and careful review of each program funding proposal. And, every effort is made to be equitable within the constraints imposed by the needs of all HC 2025 supported programs and available funds.

Due to the thoroughness of the funding process and multiple opportunities for an applying program/agency to provide information and answer questions, there will be no appeal for additional funds after the funding determination has been announced.

Agency/Program opportunities to provide information and answer questions:

- Eligibility – CIC (and panel members) will contact agency about questions, to clarify areas of concern or request additional information
- Application – Panel members or UWHC staff will contact agency about questions from the application; panel members may contact agency multiple times during program/application review
- Interview – Panel members will ask questions after the program presentation, during the interview and possibly after the interview if they need further clarification.

UWHC staff and CIC volunteers are available, during the funding process and throughout the year for questions, concerns, ideas and suggestions from health and human service nonprofit organizations.

I. Payment of Awarded Funds

Monthly payments of one-twelfth the annual funded amount will be made unless otherwise and approved by the UWHC Executive Committee and Board. UWHC reserves the right to pay some grants by invoice only or by submission of actual receipts. Any special payment arrangements will be indicated in the funding award letter and partnership agreement.

J. Significant Program Changes

If significant changes which would impact the continuation of the program occur, the agency must immediately contact UWHC staff. The staff will contact the CIC and appropriate volunteers regarding this change.

K. Emergencies

UWHC funded programs may request out of cycle emergency allocations. Emergency funding is subject to the availability of funds and may be provided for actual emergencies (fire, flood, theft, etc.), but not because of budget shortfalls. The agency must demonstrate

that funding for an emergency is not available from any other source, and must also show that the expenditure cannot be postponed until the next funding request is submitted. Upon receipt of a written request for an emergency allocation, the CIC will hold a review conference with the agency and, in consultation with the UWHC finance committee, formulate a recommendation to the UWHC board of directors. The board will promptly act on the recommendation and advise the agency of its decision

L. Funding Level Guidelines

UWHC has established a \$5,000 minimum level of program funding to ensure that UWHC funds will have a measurable impact.

Attachment A – Important Funding Criteria

Important Funding Criteria

Quality of Project

Programs requesting funding must address one of the stated UWHC HC 2025 target issues or Basic Needs/Crisis Services. In an effort to be responsive to community needs, the vision, barriers, and objectives will be periodically reviewed and may change as community conditions and needs change. The proposed program must demonstrate how specific strategies will benefit clients and begin to reduce or eliminate the identified focus area barrier(s). Specific and measurable client-based results must relate to the focus area vision and objective.

Client Based Results/Previous Success at Achieving Results

In its funding request, each program is required to submit one to three proposed client based results, which relate to the target issue objective for which the program is trying to have an impact. Program results reflect the benefits or changes for individuals and/or populations during or after participating in program activities. Results are stated in measurable terms, include a baseline or target against from which progress can be measured, a rationale for setting the target at a certain level, and a timeline for accomplishment. They should make sense and be relatively easy to explain and understand.

Well Managed Program

In evaluating overall program management panels review program financial information, service delivery and demand, and appropriate staffing and resources to effectively implement a program. Basic management information on the total agency is also considered.

- **Program Financial Management and Budgeting:** Programs must clearly define the need for UWHC funding, explain significant budget increases or decreases and budget deficits or surpluses, and have a reasonably stable funding base. The proposed budgets must be reasonable for the services and programs delivered.
- **Service Delivery:** Criteria for analysis include: demand trends for service such as the presence of a waiting list, if services are provided to an underserved population or geographic area, demographic information on those being served, and whether or not the program responds appropriately to newly identified client and/or community needs. Above all, is the program making an impact on the population it is serving and how is the agency tracking those program results?
- **Staff and Programming Requirements:** Organizations must allocate sufficient resources, including the staff, volunteers, and physical space to accomplish their goals and outcomes. Staff must be adequately trained, evaluated and supported and must have the qualifications to do the job. Part of the evaluation is a determination of whether the program has allocated an appropriate level of resources to accomplish its goals, and if it represents an efficient and effective use of resources.
- **Community Collaboration:** If programs are collaborating with others for successful results, the partners and the roles assumed by each need to be identified.

Agency Information and Management

Assessment of an agency focuses on its mission, board activity and development, financial information and the overall quality of the agency's administration. This information will be reviewed at the face-to-face meeting with the agency and Program Evaluation Panel.

Demonstrated Community Involvement and Integrated Service Delivery

Agencies and programs applying for funding must demonstrate community involvement. This community involvement can include networking with other providers, active monitoring of community conditions, and the participation in organizations that endeavor to improve life in Henderson County. As agreed to in the funding contract, each agency needs to be an active participant in the annual UWHC campaign. In addition, organizations need to be part of an integrated service delivery system. This includes knowledge of other resources available to their clients, information and referral with follow-up, and consumer education about available resources. Agencies should also cooperate with other agencies providing services, be active participants in a system that addresses the needs of clients over time, and be responsive to the community in which services take place.

Collaboration

Collaboration refers to efforts of multiple organizations in the planning and delivery of services. While cooperation is an absolute essential among all organizations, collaboration requires far more planning and effort to be implemented successfully. Where appropriate, UWHC encourages collaboration among programs as a way to reduce costs, encourage efficiency, and develop a more community-wide focus on results. While collaboration is not an end in itself, it is a proven means to a desired end of more effective service delivery.

Agency Operating Reserve

Reserves are important because all nonprofit organizations operate in an environment of uncertainty. The unreliability of many funding sources and fluctuations in cash flow frequently put a strain on organizational resources. Reserve levels refer to the length of time an organization can operate without revenue. UWHC expects agencies that receive program funding to maintain a 90 day operating reserve or an appropriate line of credit.

Funding Source Diversity

Agencies applying for program funding will have a demonstrated need, and will not receive more than 60 percent of total program funding from UWHC. The efforts and success of an agency acquiring funding through a variety of sources is evidence of that agency's commitment to fundraising and funding source diversity, which contributes to the overall financial stability of its programs. While UWHC will fund programs up to 60%, the agency must provide a detailed plan including budgets prior to allocations payout describing how the agency will diversify program funding within the next three funding cycles. Program Evaluation Panel will review the plan and budgets prior to finalizing allocation. While UWHC requires a three year plan, funding will be for one funding cycle only.

Program Mid-Year and Year-End reports will include the agency's progress on program funding diversity.