

# United Way Funding Application Guidelines

**2018-2019**

*Submission Deadline:  
Thurs. March 29, 2018*

## Our Mission

To build a better community by organizing the capacity of people to care for one another.

## Guiding Principles

- United Way is committed to addressing and funding current and emerging human service needs in the community.
- The relationship between the United Way, the agencies it funds and the public is based on trust. We aim to ensure that all our dealings are open, fair, easily understood and consistent with agreed-upon policies and procedures. United Way values the significance of citizen participation to the health of the community.
- Involvement of volunteers in policy formation and decision making is fundamental to the operation of United Way and voluntary agencies.
- United Way is accountable to its donors and the general public for responsible distribution of voluntary dollars.
- Funding decisions are based on established priorities and demonstrated needs as identified by United Way with input from agencies and the community.

## Funding Criteria

Financial support from United Way of Lethbridge & South Western Alberta:

- Will fit with United Way's funding priorities, and be based upon demonstrated community needs.
- Will be primarily in support of specific, defined programs that serve residents of the Lethbridge and South Western Alberta region.
- Will be based on the availability of financial resources and the availability of other funding sources for the agency.

To accomplish its mission and objectives, United Way of Lethbridge & South Western Alberta conducts an annual fund distribution process to examine the funding requests of member agencies and requests for membership by new agencies. Allocations are carried out by panels of volunteer citizens and board members that reflect, to the greatest degree possible, the diversity of our community.

## United Way Community Impact Areas

United Way of Lethbridge & South Western Alberta recognizes the positive impact fundraising has on our community partners and the people we serve. We improve lives by mobilizing the financial resources of businesses, employees, individuals and foundations in support of direct service programs at agencies that measurably improve people's lives.

In addition, United Ways across the country recognize that they can contribute to a greater movement called **Community Impact. It is about achieving meaningful, long-term improvements to the quality of life in our communities—addressing not just the symptoms of problems but also identifying the root causes.** It's about making fundamental changes to community conditions and not only providing a portion of monies raised through annual campaigns.

The following impact areas are the focus of funding for United Way of Lethbridge & South Western Alberta:

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### *All That Kids Can Be*

*To ensure children and youth are valued and supported members of the community, and have the opportunities and resources to help them reach their full potential.*

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### *Healthy People, Strong Communities*

*To improve opportunities for people to access programs and supports that empower them to overcome barriers, build resilience, reduce isolation, and be part of a caring, inclusive community.*

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### *From Poverty to Possibility*

*To help people engage in their community by strengthening neighbourhood revitalization efforts, reducing poverty and improving access to healthy food, employment and affordable housing.*

## ELIGIBILITY

Eligibility for United Way funding is based on the following criteria:

- The applying agency provides programs and/or services to residents of Lethbridge & South Western Alberta
  - This territory includes the area from Claresholm south to the U.S. border, and from the B.C. border to Highway 36 including Taber and Vauxhall.
- A volunteer board of directors governs the agency
- The agency provides annual financial statements
- The appropriate persons have signed the Agency Endorsement page
- The agency has an active, charitable status with Canada Customs and Revenue Agency

United Way of Lethbridge & South Western Alberta **does NOT fund:**

- Services that are primarily religious or political in nature
- Organizations acting in the capacity of a funding body
- The arts (unless tied to social programming)
- Medical research
- Capital costs (ex: acquisition of land or buildings, construction projects, purchase of vehicles, facility maintenance, utility payments)
- Wages and salaries (unless shown to be directly linked to a specific program's delivery)
- Individuals

**Please be advised that the United Way of Lethbridge & South Western Alberta is not in the position to meet all recognized needs within the community. It is therefore possible that an agency might meet or exceed expectations on all criteria and still not be awarded funding. Funding will be allocated to areas of the greatest perceived community needs first.**

Once an agency is approved for and accepts funding for ongoing programs from United Way of Lethbridge & South Western Alberta, it is subject to all policies and allocation procedures and must abide by the Funded Agency Agreement (Appendix A) and the Supplemental Fundraising Agreement (Appendix B).

## EVALUATION OF APPLICATIONS AND FUNDING RECOMMENDATIONS

The Allocations Committee's funding recommendations will be based on the agency's performance against the United Way's values and funding criteria. All applications are reviewed by a group of volunteers who utilized a standardized scoring matrix on behalf of the

community to evaluate applications and recommend funding levels for social service programs delivered through United Way member agencies.

Once recommendations have been made by the volunteer committee and approved by the Board of Directors of the United Way, allocations will be distributed as described below.

### PAYMENT OF ALLOCATIONS

Approved allocations are dispensed in up to four payments, in equal instalments beginning in August of each year. The approved allocation will be paid in full, except where, after discussion, significant changes in the circumstances of the United Way or the agency indicate otherwise. If the agency is not using the funds as stated in their proposal, the United Way of Lethbridge & South Western Alberta reserves the right to withhold future instalments until it is satisfied that the funds are being used appropriately.

### NON-OPERATING FUNDS

United Way funds are to be used for operating purposes; that is, expenditure items that are consumed during a normal operating year or cycle. In special cases or under unusual circumstances, United Way may agree to fund essential non-operating items based upon the merits of each individual case. **As a general rule, United Way does NOT provide funding to capital campaigns. Please see above for more information.**

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## POLICIES

### Reserves

United Way of Lethbridge & South Western Alberta believes that stability of agencies within the not-for-profit sector is good for the sector and good for the community as a whole. This policy encourages the creation and maintenance of unrestricted reserve funds to contribute to the agency's stability. Where this reserve fund is already in existence, this policy encourages transparency.

United Way will not penalize an agency for creating a reasonable unrestricted reserve fund. In the interest of fairness to other organizations and the community as a whole, if an agency has an unrestricted reserve fund of more than the amount equal to six months of operating expenses, the agency may have their United Way of Lethbridge & South Western Alberta allocation amount reduced appropriately, based on the discretion of the United Way's Board of Directors.

### Financial Statements

United Way of Lethbridge & South Western Alberta believes that accountability and transparency are the cornerstones of ensuring public trust. Agencies must submit independently produced, LOCAL financial statements for the most current fiscal year end referenced in the funding application, in the form of an audit or review engagement prepared by someone qualified to do so, and who is at arm's length from the organization.

In the case of local chapters of national organizations where local statements are not available, national or provincial audited statements are requested with a spreadsheet detailing local chapter and program expenses.

In the event the current year's financials are not yet available, Agencies may submit the three most recent years with current year's statement of financial position and balance sheet.

### Annual Budget

United Way of Lethbridge & South Western Alberta believes that effective financial management practices dictate the need for a diversified funding base within each organization. Therefore, United Way of Lethbridge & South Western Alberta may not allocate an amount that represents more than 50% of the Member Agency's total annual operating budget vs. program budget. Those whose funding currently exceeds 50% of their annual budget may have their allocation reduced appropriately, based on the discretion of the Board of Directors, for amounts over \$10,000.

## United Way Logo Use

As outlined in the Agency Agreement, United Way's logo should be used in relevant marketing and communications materials if 15% or more of a program's budget is funded by United Way. For amounts less than 15%, logo placement is discretionary but appreciated.

United Way's logo for print and web use can be requested by emailing [communications@lethbridgeunitedway.ca](mailto:communications@lethbridgeunitedway.ca).

Suggested logo use:

- When listing funders for your agency or program
- When partnering with United Way for a specific event (ex: Youth Week)
- On publications making reference to a program funded by United Way
- Website or relevant marketing where possible
- Social media

## Questions

If you have questions not answered here, please do not hesitate to contact the United Way office for further information.

## APPENDIX A

### FUNDED AGENCY AGREEMENT

**Note: The board of directors of each funded agency is responsible for attaining a working knowledge of this policy and assuring the agency's compliance.**

#### Preamble:

This agreement sets out what actions and responsibilities are expected of a United Way funded agency and what actions and responsibilities are expected of United Way of Lethbridge & South Western Alberta.

United Way of Lethbridge & South Western Alberta and the funded agencies are partners working together, providing needed social services to the community. United Way facilitates co-operation between agencies, where appropriate, and looks to minimize duplication of efforts and redundant expenses where possible.

United Way of Lethbridge & South Western Alberta was established to build fundraising partnerships where all possible fundraising campaigns in the areas of community and social services in the Lethbridge and South Western Alberta region, including local, provincial and national service organizations can work together under the United Way brand to reduce expenses and increase effectiveness.

United Way is dedicated to organizing volunteers to conduct an annual campaign to raise funds to meet the specified program needs of its funded agencies within the limits described in this document.

**Sample Grant Agreement Follows.**



SAMPLE

## United Way of Lethbridge & South Western Alberta Agency Agreement

Agreement between:

**\*Charity Name\***

(Hereafter referred to as "The Agency")

**-and-**

**United Way of Lethbridge & South Western Alberta**

(Hereafter referred to as "The United Way")

This Agreement made for the period of August 1, 20XX to July 31, 20XX between \*Charity Name\* and United Way of Lethbridge & South Western Alberta.

**The United Way and The Agency undertake and agree as follows:**

### **Article 1.**

- a) The United Way will conduct an annual campaign during a period to be determined by the Board of the United Way within the months of September to December for the raising of funds for the benefit of South Western Alberta registered charitable agencies.
- b) The United Way will distribute a total of \$XXX to the \*Charity Name\* (subject to the availability of funds). Funds will be forwarded in X Payment(s) of \$XXX in the months of August, October, January and April for \*Program Name\*.

### **Article 2.**

- a) The Agency shall refrain from conducting fundraising solicitations or special events between September 1, 20XX and November 30, 20XX without the prior approval of the United Way.
  - a. Fundraising initiatives with expected revenue of less than \$10,000 are exempt.
  - b. Special Events identified in the Agency's original grant application are exempt.
- b) The Agency will inform the United Way Executive Director of any fundraising efforts not included in the original application during the period stated in 2(a) a minimum of 30 days prior to the actual event.
- c) The Agency will not take any action, which will alter the budgets included with its original application without prior notice to the United Way Executive Director.
- d) The Agency recognizes that United Way fundraises on its behalf and will actively participate in fundraising campaigns and special events of the United Way to the best of its ability and will help promote the United Way on a year-round basis as appropriate for this purpose.

- e) If funding received from United Way for a specific program constitutes more than 15% of a program's budget, the United Way logo should be added to program promotional material whenever appropriate and practical. For programs under this threshold, logo use is discretionary but appreciated.
- f) **NEW:** The Agency will be asked to submit periodic reports to United Way on the progress of the program, including but not limited to numbers of program users and use of United Way funds. Updates must be completed and submitted by November 30 and February 28. United Way will provide a template for periodic reporting by September 1.
- g) The agency will be asked to submit a final report for the program/service which was funded. The final report must be completed and submitted to the United Way by May 31. United Way will provide a template for the final report by March 31.

SAMPLE cont'd

**Article 3.**

- a) United Way may terminate this agreement at any time if there is evidence The Agency is not making use of the funds as outlined in the Funding Application Package.
  - a. Revisions to the proposed use of funds may be made upon mutual agreement of both parties.
- b) United Way may terminate the agreement for cause within 30 days written notice.
- c) The Agency may terminate the agreement with 30 days written notice but must provide an accounting of funds already expended and return unexpended funds to the United Way within 30 days of termination.
- d) At the time of termination, the United Way Board of Directors reserves the right to determine an alternative disposition of any remaining assets held in trust upon mutual agreement of the parties.

**Acceptance of Commitment:**

**I warrant that I have the legal authority to bind \*Charity Name\* to the terms set forth in this agreement and by affixing my signature do hereby agree to bind the organization and its board of directors to comply with the terms of this agreement.**

Signed:

\_\_\_\_\_  
Board President or Authorized Agent  
\*Charity Name\*

Date:

\_\_\_\_\_

**United Way of Lethbridge & South Western Alberta:**

**I warrant that we have the legal authority to bind United Way of Lethbridge & South Western Alberta to the terms set forth in this agreement and by affixing my signatures do hereby agree to bind the organization and its board of directors to comply with the terms of this agreement.**

Signed:

\_\_\_\_\_  
Executive Director

Date:

\_\_\_\_\_

## APPENDIX B

### SUPPLEMENTAL FUNDRAISING AGREEMENT

**Note: The board of directors of each funded agency is responsible for attaining a working knowledge of this policy and assuring the agency's compliance.**

This policy is based on the following assumptions.

1. Donors prefer a single solicitation.
2. Some donors wish to support a specific cause or agency.
3. A federated workplace campaign is an efficient fundraising method.
4. All companies and individuals in the United Way of Lethbridge & South Western Alberta's service area are potential donors.
5. Agencies relinquish some fundraising opportunities when they become United Way funding recipients.
6. United Way is unable to meet all funding needs of agencies.
7. The benefits of United Way funding are more than just financial.

### Introduction

The United Way of Lethbridge & South Western Alberta campaign operates on the premise that donors prefer a federated solicitation rather than multiple solicitations and that corporate support can increase total donations through an employee payroll deduction campaign.

The ultimate goal of this policy is to maximize the funds available to provide the services of funded agencies to those in need in our community. United Way takes responsibility to publicize this policy and to review it on a regular basis for its appropriateness to changing conditions.

### United Way as a Resource

To the extent that resources are available, United Way of Lethbridge & South Western Alberta is committed to providing consultation and assistance to funded agencies seeking to develop a fundraising campaign or project. United Way encourages joint fundraising events as a way to strengthen marketing appeal, obtain appropriate volunteer expertise and numbers, and sharing resulting benefits.

Such joint fundraising can be between two or more agencies or between United Way and specific agencies. Mutual responsibilities and benefits of any joint fundraising should be agreed to in writing by the participating agencies and United Way of Lethbridge & South Western Alberta prior to the event.

## Policy Objectives

1. Acknowledge and respond to the needs of funded agencies.
2. Facilitate a strong, mutually supportive environment in which the community achieves a maximum level of giving.
3. Foster coordinated and cooperative fundraising efforts based on recognition of the interests of donors.
4. Convey a fundraising policy that is clear, easily understood and fairly applied to all funded agencies.

## Fundraising

Agency fundraising is any activity providing funds over and above those allocated by United Way. The acceptability of an activity is determined by the perceived effect that it has on the preservation of the annual United Way campaign. United Way can grant standing approval of an annual event as long as the basic elements of the event remain unchanged.

**By joining United Way, a funded agency agrees that it will not solicit donations from employee groups or individuals at their place of work, regardless of the time of year.**

Workplace solicitation is the cornerstone of the United Way campaign. This means that under no circumstances can you approach individual employees at their place of work. This policy does not prohibit solicitations of employees at home or in any other environment. Internal fundraising drives within your own organizational staff group are exempt from this policy.

## Approved Activities

**The following fundraising activities are considered an integral part of finances for the agencies. NO APPROVAL IS NECESSARY FOR THESE ACTIVITIES, REGARDLESS OF THE TIME OF YEAR.**

- Earned income including client fees, rental of facilities, and investment income
- Government funding
- Unsolicited donations, bequests, gifts by will, endowments or memorial funds
- Gifts from service clubs, churches, foundations and trusts, whether solicited by the agency or not
- Bingos, lotteries or raffles
- Productive enterprises in which goods or services are sold for a price related to their value
- Activities related to sustaining individual, long-term donors

## Activities Requiring United Way Approval

**Any major or extraordinary fundraising activities during the workplace Campaign Period of September 1 – November 30 DO REQUIRE PRIOR APPROVAL.** United Way will consider the possible impact on United Way's annual campaign due to timing, promotion, market or image of the activity. Member agencies will not engage in fundraising activities during the United Way Campaign period (September 1 – November 30) without prior written approval.

If an agency has an existing special fundraising event during the United Way Campaign Period that has been running for two consecutive years or more, it may have the event grandfathered. The following activities should not be conducted during United Way Campaign period without consideration of written consent by United Way of Lethbridge & South Western Alberta:

- a) Solicitation of corporations for cash donations, donations in-kind or sponsorship
- b) Direct mail or mass telephone solicitations to the general public, including second party solicitations (e.g. Hydro inserts, flyers with newspapers)
- c) Special events such as dinners, dances, auctions, races etc.
- d) Benefit performances
- e) Events soliciting pledges such as telethons, walkathons, runs
- f) Capital campaigns - to acquire real estate, repair or construct buildings and related facilities; the acquisition of, or major repairs to, significant items of equipment or furnishings

## Ethics

Fundraising activities affect the public image of an agency and, by extension, the United Way federation. As part of its planning, an agency should carefully consider the ethical aspects of any proposed fundraising activity. These aspects include:

- Using methods that are acceptable to the community
- Meeting all licensing and legal requirements
- Avoiding discrimination against or demeaning any group
- Preserving the dignity and image of the agency's clients
- Achieving a reasonable ratio of fundraising proceeds to costs for the specific type of event. United Way recognizes that ratio variations exist between different kinds of events
- Avoiding methods that create undue pressure, unrealistic expectations or false promises in the mind of the donor.
- The participation of an agency in a cross-promotion or its acceptance of a company sponsorship implies that the agency endorses that company or product. Before involvement, the agency should evaluate the possible results of such an endorsement.

Agencies are strongly encouraged to respect the fundraising ideas and plans of other agencies and to co-ordinate their fundraising dates, methods, target audiences and sponsors. This will create greater co-operation and collaboration in the community, to everyone's benefit. Agencies may use United Way of Lethbridge & South Western Alberta as a communication medium to share planning information.

### Compliance with Policy

The United Way Impact Committee will be responsible for investigating any agency it feels is not abiding by this policy regarding fundraising. The committee will make recommendations to the United Way Board of Directors if it feels there has been a breach of policy, including but not limited to:

1. Pointing out the agency's conflict with the policy and the possible results.
2. Recommending appropriate action, which could include a proportional reduction in the agency's allocation or review to determine if the agency should continue to be funded by United Way.

Member agencies who receive funding from the United Way Community Fund will be expected to promote donations to the United Way Community Fund, and are not to solicit designations back to their agency through Donor Choice in such things as agency literature or while in speaking engagements.