

**UNITED WAY OF CENTRAL VIRGINIA
UNITED WAY PARTNER AGENCIES' RELATIONSHIP & FUND
DISTRIBUTION POLICIES**

ARTICLE I – Introduction to the Fund Distribution Process

United Way fund distribution is a process which attempts to meet community needs and solve social problems by providing financial support for human services. The process takes into consideration the attitudes of the contributing public, the services provided by both governmental and voluntary human service agencies, the needs of the community as they have been studied and documented, the effectiveness of service delivery, and all other financial resources available for financing United Way partner agencies' programs.

The Fund Distribution Committee, hereinafter referred to as "the Committee", consists of a representative group of informed volunteers who operate on the premise that the community's needs and objectives should guide the interest of all and transcend the interest of any one organization. However, United Way respects the autonomy of each agency and its right to manage its own internal affairs.

The United Way Fund Distribution Process carries the following responsibilities:

1. to define and identify social problems, in partnership with other social service providers and funders toward which United Way resources are directed and provide subsequent review of those services funded to evaluate their service's efficiency and effectiveness;
2. to utilize United Way campaign proceeds to support human services on behalf of community members;
3. to allocate United Way funds according to desired outcomes which take into account changing needs, long- and short-term solutions, and changing ideas of how needs should be met;
4. to deal fairly with all partner agencies;
5. to guarantee that non-designated funds contributed to the United Way campaign are used in the best interest of the community and affirm that United Way agencies operate in an accountable fashion; and,
6. to take into account all sources of agency income when determining allocations.

ARTICLE II – The Establishment of Funding Priorities

In determining the level of funding for programs of partner agencies, the Committee evaluates many elements and aspects of needs and programming. To respond to the existing, developing, and long-term needs of the community, the Committee uses

all available data and information regarding human services to make its decisions. The United Way assesses community needs and assets periodically to assist in this evaluation process. This assessment serves as the foundation for the development of priorities for distributing United Way funds. Importantly, these priorities are only one element of the evaluation process. Therefore, the Committee includes a thorough analysis of each agency's service delivery and clients' outcomes, as determined jointly by the agency and United Way, to evaluate the effectiveness of the overall service. Combining the priorities and program effectiveness best determines the appropriate funding levels.

ARTICLE III – The Fund Distribution Committee

The United Way of Central Virginia Bylaws establishes a Fund Distribution Committee whose chairperson shall be appointed by the Chairperson of the Board of Directors. The chairperson of the Committee serves on the Board of Directors.

No person employed by a partner agency shall be a member of the Committee. All volunteers must identify any potential conflict of interest.

The Committee's membership shall consist of not more than one hundred and fifty (150) persons who are representative of the community and agree to serve in a capacity which best meets the inclusive need of the Fund Distribution Process. These individuals will be placed on Review Teams with the Review Team Chairman serving on one of four Field of Service Panels, each with two Field of Service Co-chairpersons. The teams and panels will include veteran and new committee members with varying backgrounds and skills. An Executive Committee of the Fund Distribution Committee, comprised of the chairperson and vice chairperson of Fund Distribution, Field of Service co-chairpersons and chairperson of the Board shall recommend to the Board of Directors no later than the scheduled meeting in June, the annual allocation for each participating agency.

The functions of the Committee are:

1. to develop an effective system of distributing available resources to meet community needs;
2. to review all partner agencies and establish annual recommendations of agencies' allocations;
3. to provide recommendations to the United Way Board of Directors regarding appeals and special requests by partner agencies; and,
4. for the leadership (chairperson and vice-chairpersons), with the assistance of United Way staff, to review and act on requests from partner agencies with respect to questions and concerns related to their relationship with United Way and these policies.

ARTICLE IV – United Way Standards for Partner Agencies

A partner agency with the United Way of Central Virginia (UWCV) must meet the following standards to receive continued funding and/or designations:

1. it must maintain its status as a non-profit corporation or association operating a program deemed by the United Way of Central Virginia Board of Directors to be important to the general human service system of the community and have exemption status under appropriate sections of the Internal Revenue code; it must be registered with Virginia's Department of Agriculture and Consumer Affairs;
2. its governance must be vested in a duly constituted board of volunteers, large enough to be properly representative and with provision for reasonable turnover, which meets at least quarterly, and assumes responsibility and accountability to the public for the governance of the agency;
3. it must render a service which meets a recognized human need; its program must provide quality services to an appropriate number of clients thereby demonstrating its continued need for support; its program must be accessible to its target clientele; and, its hours of service and facility(s) must be appropriate for the purpose of conducting its operations;
4. operate on a sound financial basis and maintain an adequate accounting and reporting systems covering both its services and finances; organizations with a budget over \$150,000 must have an annual audit and organizations with a budget under \$150,000 must have an annual financial review; for partners it must have a plan for organization and operation which is satisfactory to the UWCV Board of Directors; Audited statements must be in accordance with Generally Accepted Auditing Standards (GAAS).
5. it must make effective use of volunteers wherever appropriate and feasible;
6. if it employs staff, they must be qualified by training and/or experience to carry on an effective program; and,
7. encourage state/national affiliation where applicable.
8. adhere to US Patriot Act compliance.

ARTICLE V – Requirements for Partner Agencies

Any partner agency receiving financial support through the UWCV's Fund Distribution Process must agree to the criteria set forth in Article IV and the conditions set forth as follows:

1. to submit to UWCV a proposed annual budget containing program and financial information in such form and at such time as may be requested by the United Way;
2. to participate positively in the Fund Distribution Process;
3. to have its operating, capital, and special accounts open to review by UWCV and open to inspection if for any reason, the agency does not have an annual audit or financial review completed by an independent accountant ;
4. where appropriate, to obtain an employee dishonesty or a blanket fidelity bond, sufficient in amount and scope to protect the public interest;
5. to participate and cooperate in the annual United Way campaign, including conducting an internal campaign with staff and board;
6. to adhere to the supplemental fund raising and fund-earning provisions as outlined in Article XII of this Policy;
7. to cooperate with UWCV and other organizations in planning to improve the effectiveness of the community's human service system;
8. to use UWCV's allocations for their requested purpose as presented in the agency's funding application (except as noted in Article XV);
9. to abide by UWCV's Bylaws, these policies, and Non-Discrimination Certificate (see Appendix);
10. to identify itself as a partner agency of UWCV on promotional materials, letterhead, and, as appropriate, statements to the media;
11. to keep UWCV informed of all significant policies and/or material changes regarding client services of United Way funded programs;
12. to notify UWCV immediately of situations that occur or of problems that exist within the agency that could be detrimental to the image of UWCV or the UWCV/ Agency Partnership; If UWCV becomes aware of a partner agency's problem and has to contact agency for clarification, the agency will be given written notice of this violation. United Way will notify the other Partner Agencies if the situation/problem may have a negative impact on them;

13. to obtain written consent from the President/CEO of UWCV prior to sending an article to the media that mentions UWCV if the agency makes statement to the media that is in rebuttal of an article concerning the agency;
14. to provide a copy of the current contract or relationship with any parent organization, if applicable, and to advise UWCV of any changes in relationship with its parent organization;
15. to submit periodic financial reports and requests for funds in the form prescribed by the United Way and provide other such information as the United Way may reasonably require;
16. to participate in the Beneficiary Study conducted annually.
17. to participate in UWCV trainings and meetings, attending at a minimum one mandatory meeting per year;
18. to participate in UWCV functions; (a list of these activities will be given to the Fund Distribution committee;
19. the Agency Executive Director and Board President will receive written notice of any violation to the requirements listed in Article V.

ARTICLE VI – Expectations of United Way

Partner agencies should understand the expectations that United Way has for conducting its internal operations and maintaining relationships with the partner agencies.

- A. Partner Agencies
 1. United Way will comply with all standards outlined in Article IV of these policies.
 2. Partner agencies reserve the right to make a written complaint or appeal to the proper United Way committee or the Board with regard to perceived undue interference in its affairs, unnecessary requests for information, or other activities which create possible conflicts between the agency and the United Way.
 3. A partner agency may request a special meeting with United Way staff and/or volunteers to discuss any issue of concern or interest. United Way views its relationship with the agencies as one of its priorities; therefore, consistent and open communication with all partner agencies is critical to the United Way mission. United Way shall be allowed a reasonable time to respond to requests for information, usually a minimum of ten (10) days.

ARTICLE VII – Agency Allocations and Appeals

Partner agencies may receive funding from up to three different streams of funding: allocations, direct designations and community impact designations. Community impact designations are used for specific programs. United Way will not evaluate the use of direct designations through its allocation process except as they relate to the overall assessment of the management of the agencies.

United Way partner agencies will receive notification of their annual allocation following the completion of the Spring Fund Distribution Process.

In the event an agency is dissatisfied with the allocation to a particular program(s), the Fund Distribution Committee may hold an appeal hearing for reviewing all significant issues.

An agency wishing to appeal must submit a written request to the Vice President, Community Impact within 21 calendar days of the date of their allocation notification letter from United Way. The request must be signed by either the agency's Board President or the Executive Director.

Any appeal must present new or updated information not available or understood during the allocations process.

The written appeal must contain the following information and any documentation deemed appropriate to support the request.

- a. the basic grounds for the appeal and supporting documentation.
- b. the change desired, including any proposed adjustment to the original allocation.
- c. a summary of the impact that the initial funding decision will have on the agency.

Agencies will be notified of a date for their appeal meeting within 21 days of the United Way's receipt of the agency's appeal letter.

The Agency Review Team Chairperson will receive a copy of the appeal prior to the meeting. The Chairperson may respond in writing or appear in person.

At the meeting, the agency will make a presentation of no more than 15 minutes to present its case. After the presentation, the Fund Distribution Executive Committee will ask any questions it deems necessary. At that time, a request for additional information may be necessary before a decision is made regarding the appeal. The Fund Distribution Committee will decide the validity of the appeal and make a recommendation to the Board of Directors. The Board will take action at its next meeting and the agency will be notified within 10 calendar days of the Board's decision to grant or deny the appeal in whole or in part.

ARTICLE VIII – Probation, Suspension, and Disaffiliation

The United Way Board of Directors maintains the right to place on probation, suspend or disaffiliate any partner agency found to be in violation of one or more of the following. Such action requires a two-thirds vote of the full Board. In determining the appropriateness of probation, suspension, or disaffiliation, the Board will consider the severity and frequency of the violation and the precedents set by past board action.

1. Failure to adhere to the Agency Self-Support & Supplemental Fund Raising Guidelines, outlined in Article XII.
2. Failure to maintain the Standards or Requirements of Membership as outlined in Articles IV and V.
3. Failure to submit appropriate financial documents in the requested time period.
4. Mismanagement of agency funds as determined by independent auditors, the United Way Board of Directors, or the agency's Board of Directors.

PROBATION

Probationary status will be invoked by a recommendation of the Fund Distribution Executive Committee with two-thirds approval of the full United Way Board.

The agency will be advised by registered mail of its probationary status and the reasons supporting the decision. The agency must respond to the concerns in writing within thirty (30) days following the receipt of notice. The response must contain the following:

1. a statement acknowledging the agency's understanding of the concerns;
2. a plan outlining how the concerns will be addressed; and
3. a timetable for reaching a satisfactory conclusion of the concerns.

An agency on probation will continue to receive its regular monthly allocation.

Probation may not last longer than a six (6) month period. The Board will lift the probationary status as soon as a satisfactory conclusion has been reached. If a satisfactory conclusion has not been determined within this period, the agency will either be suspended or disaffiliated.

A request may be submitted to the United Way Board of Directors for an exception to the six (6) month time limit. This request must be made within thirty (30) days prior to the end of the probation period.

SUSPENSION

Suspension of an agency will be initiated by a recommendation of the Fund Distribution Executive Committee with two-thirds approval of the full United Way Board.

Prior to a suspension being implemented, an agency shall have no less than thirty (30) days written notice by registered mail of the charges upon which the proposed suspension is based and shall have the opportunity of a hearing before the Board of Directors. Within thirty (30) days, the agency must respond, in writing, to the notice of suspension providing a response to the issues and, if desired, requesting a hearing before the Board of Directors. If no response is received within this time period, the suspension will be implemented.

The suspension will not be implemented during the time between the initial notice and the hearing with the Board. At the hearing, the agency will be provided an opportunity to respond to the issues of concern and questions of the Board. The agency will receive a written notice of the outcome of the Board's deliberation no more than ten (10) working days following the hearing.

A suspended agency shall not be entitled to financial support from United Way during the period of suspension except if it has not received from the United Way the total of the funds donor designated to the agency, in which case the difference shall be paid.

A suspension cannot last longer than six (6) months. The agency must take corrective actions related to the issue(s), report the actions to the Board, and request that the suspension be lifted within this time period. If the agency has not taken action, the Board will evaluate the situation and vote on disaffiliation at its next meeting following the six (6) month deadline.

A suspended agency may be reinstated to full member status at any time upon satisfying the Board of Directors that it has corrected the violation and, by a two-thirds vote of the full Board.

DISAFFILIATION

Disaffiliation, other than as defined in the Suspension section, will be initiated by a recommendation of the Fund Distribution Executive Committee with two-thirds approval of the full United Way Board.

Prior to an agency being disaffiliated, the Board will review the proposed disaffiliation, and if deemed appropriate, forward to the agency written notice by registered mail of the charges on which the proposed disaffiliation is based. Within thirty (30) days, the agency must respond, in writing, to the notice of disaffiliation providing a response to the issues and, if desired, requesting a hearing before the Board of Directors. If no response is received within this time period, the disaffiliation will be implemented.

The agency will remain a partner agency during the time between the initial notice and the hearing with the Board. At the hearing, the agency will be provided an opportunity to respond to the issues of concern and questions of the board. The agency

will receive a written notice of the outcome of the Board's deliberation no more than ten (10) working days following the hearing.

Disaffiliation will be considered in the most severe violation of United Way Fund Distribution Policies. In addition to the above, reasons an agency may be considered for disaffiliation include, but are not limited to: fraudulent representation of the agency's program or budget; inappropriate use of United Way name and relationship; and, failure to satisfy grounds for suspension within a reasonable time frame.

In the event of disaffiliation the agency will be ineligible for consideration for a minimum of one year from the date that the Board approved disaffiliation. Prior to seeking application for readmission as a partner, an agency must supply documentation that all violations which led to disaffiliation have been rectified.

An agency disaffiliated from United Way shall not be entitled to 1) further financial support, including donor designations, and 2) privileges of membership, including identification as a partner agency.

ARTICLE IX – Withdrawal

At any time, an agency may withdraw voluntarily from affiliation with the United Way upon giving thirty (30) days written notice to the Board of Directors of its intention to withdraw.

At the time its withdrawal becomes effective, the agency shall forfeit entitlement to any and all funds which may have been appropriated for its use. If the amount donor designated to the agency for the specific use of that agency during the current fiscal year is greater than the amount already paid, the agency shall be entitled to the remainder of its designated funds.

Agencies may reapply after one calendar year.

ARTICLE X – Accounting Procedures

1. Standards of Accounting

The United Way of Central Virginia has adopted the "Standards of Accounting and Financial Reporting" for voluntary health and human service organizations. All United Way partner agencies are required to submit financial information and/or budget requests as requested by United Way.

2. Year-end Deficits

The United Way will not assume responsibility for deficits in agency service operations. Agencies are requested to inform United Way of any potential or actual significant deficits.

3. Agency Indebtedness

The handling of interest on indebtedness of individual agencies is subject to a mutual agreement between the United Way and the agency. However, United Way will not pay interest on capital indebtedness or for normal operations without prior written approval of the Board of Directors.

4. **Working Cash Balance & Agency Reserves**

United Way encourages partner agencies to maintain sufficient funds to insure continuity of services and protect against financial hardship. Agencies are encouraged to develop a reserve policy based upon its current and projected future needs.

5. **Agency Income from Dues and Fees**

United Way agencies are encouraged to establish realistic dues and fees policies, which are feasible from the standpoint of each agency's program objectives and contractual commitments. The fee policy should strive to insure that no one is deprived of services because of the inability to pay.

6. **Allocations to Agencies**

The United Way normally allocates funds on a 1/12 payment per month basis. An agency may request that the United Way review an alternative payment schedule. Such a request should indicate the agency's cash flow situation which would call for an alternative schedule.

The United Way reserves the right to alter the payment schedule of all agencies based upon its own cash flow situation.

ARTICLE XI – Advance Allocations and Emergency Grants

In order to meet unanticipated financial needs, the United Way of Central Virginia encourages partner agencies to establish proper reserves or, if needed, their own sources of credit. United Way recognizes that exceptional circumstances may require consideration of an advance allocation or emergency grant.

- A. Loans are unavailable.
- B. Advance Allocations – Requests for advance allocations must be submitted in writing to the Vice President, Community Impact and shall include a description of the exceptional circumstance warranting the request and the approval from the agency's executive committee or board. United Way will respond in writing within ten (10) working days of receipt of the request with the exception of a fourth request by an agency in the same calendar year (see below). Advanced allocations are

dependent on United Way cash flow. United Way will not cash investment instruments to accommodate unanticipated advance requests.

1. The first request by an agency for an advance allocation shall be reviewed and decided by the President, Vice President of Finance & Administration, and Vice President, Community Impact with input from the Fund Distribution Chairperson.
 2. A second request within the same calendar year shall be reviewed and decided by the President, Vice President of Finance & Administration, Vice President, Community Impact, Fund Distribution Chairperson, and the United Way Board Chair.
 3. A third request within the same calendar year shall be reviewed and decided by the President, Vice President of Finance & Administration, Vice President, Community Impact, and the Fund Distribution Executive Committee.
 4. Any agency requesting more than three advance allocations in one calendar year shall meet with the Fund Distribution Executive Committee to discuss the details of their financial position.
- C. Emergency Grant requests shall be considered only in situations with the most extreme circumstances requiring supplemental funds which constitute an emergency of such magnitude that continued services of the requesting agency would be jeopardized.

Requests for an emergency grant must be made in writing to the Vice President, Community Impact and shall include a detailed description of the extraordinary circumstances warranting the request with documentation, and approval of the requesting agency's executive committee or board to seek an emergency grant.

The Fund Distribution leadership and Board Chairperson will review the request and make a recommendation to the United Way Board of Directors at their next scheduled meeting or as soon as plausible. United Way Board of Directors will respond in writing within ten (10) working days of the decision regarding the request.

ARTICLE XII – Agency Self Support & Supplemental Fund Raising

Agencies are encouraged to seek supplemental operating revenues from such sources as foundation and government grants, endowments, fees for services, membership programs, and special events.

United Way supports agency supplemental fund raising provided it is conducted in an ethical and responsible manner within specified guidelines. United Way's prime concern is that agency supplemental fund raising projects do not hinder the annual campaign or infringe on funds which are designated through or normally given to United

Way. To enable staff and volunteers to respond to inquiries regarding these activities, it is helpful for the United Way to be aware of all supplemental fund raising efforts.

United Way is vitally interested in working with partner agencies and the community at-large to secure maximum funds to support the community's voluntary human service programs. Agencies are expected to be considerate of other organizations in coordinating their fund raising activities so that all agencies have a fair opportunity to develop self-support programs.

To attain the highest degree of service to our community, United Way and its partner agencies must operate cooperatively with mutual respect for their separate responsibilities.

1. **Operational Fund Raising**

The United Way of Central Virginia encourages partner agencies and related auxiliary "support groups" to supplement operating funds in a manner that does not conflict with United Way fund raising efforts.

Agencies are requested to keep United Way informed of all fund raising activities.

A. The following areas do not conflict with United Way of Central Virginia's fundraising efforts and are encouraged:

- 1) allocations from other United Ways;
- 2) government grants and trusts;
- 3) non-corporate and corporate foundations and trusts;
- 4) service club grants
- 5) investment income;
- 6) bequests and endowments;
- 7) earned income from contracted services;
- 8) sales of program-related supplies and materials;
- 9) thrift shops;
- 10) unsolicited gifts;
- 11) fees for services provided to cover actual program costs; and
- 12) donations from religious organizations and churches.

B. The following fund raising activities are not permitted August 1 to November 1.

- 1) solicitation of individuals within Planning District (PD) 11 during the United Way campaign period of August 1 to November 1;
- 2) solicitation of businesses, corporations for gifts and/or sponsorships within PD 11 or headquarters of organization conducting business in PD 11 during the United Way campaign period of August 1 to November 1;
- 3) in-company employees' solicitation at any time except for an agency's employees.

- C. The following fund raising activities, while permitted, have certain restrictions August 1 to November 1.
- 1) Agencies should contact United Way regarding any fund raising activities that may have a potential conflict with these policies prior to the planning and/or implementation of any such activity. Agencies will send a letter explaining any such activity to the Vice President, Community Impact.
 - 2) During the protected campaign period, agencies may offer “value for your money” products, items or special events.
 - 3) During the campaign period, an agency may allow an organization, club, or business to use its name during the promotion of an event, if the organization is holding the event to benefit the agency and only if the organization has solicited the agency’s involvement. An agency may not solicit organizations so that it may be the benefactor of such events during the campaign time period.
- D. Other
- 1) In-kind donations may be sought by an agency during the restricted time period only for items which will assist its direct operation or program delivery. Items valued at \$5,000 or more to be used as a vehicle for raffles, auctions, or other fund raising purposes should not be solicited. Agencies will send a letter explaining any conflict with this policy to the Vice President, Community Impact.

2. **Membership Drives**

Conditions by which partner agencies may conduct membership appeals are set forth below. It is understood that agencies will notify the United Way, Vice President, Community Impact, prior to instituting a new or enlarged annual membership program.

A. **Participating Members**

Participating memberships providing dues or payments in return for use of physical or service facilities and equipment are encouraged, as are adequate membership fees to cover program costs.

B. **Non-participating Members**

Membership appeals which serve the sole purpose of fund raising or creating a foundation for future fund raising activities are prohibited during the restricted campaign time period August 1 to November 1. This includes appeals to ‘friends’ groups or other membership groups whose purpose is primarily the financial support of the organization and who do not receive a tangible benefit in return for their membership.

3. **Emergency Appeals**

The United Way Board may grant permission for an agency to make an emergency appeal for funds to the community at any time of the year and of any size depending on the nature and scope of the crisis. A written appeal, its content and scope, as well as a prospect list should be provided as early as possible to the Vice President, Community Impact who will review the information initially with the President and present it to the Board or Executive Committee as soon as plausible. This request is necessary during the restricted campaign period August 1 to November 1.

4. **Capital Fund Raising**

A capital fund drive shall be defined as a drive solely for the purpose of new construction, renovation of an existing structure, or the purchase of real estate or major equipment.

Although the United Way of Central Virginia believes it is the role of each agency’s board to determine the need for such drives, United Way requires that all pertinent information concerning capital fund raising be submitted to the United Way’s Vice President, Community Impact. The information will include the purpose, campaign goal, procedures and timing of the proposed drive as well as the projected impact on future operating expenses. .

A. General Information About Capital Campaign Coordination

- 1) Capital Campaigns shall not be initiated during the restricted campaign period of August 1 to November 1. This restricted period applies to advance publicity and active public solicitation of individuals and companies, including corporate foundations of local companies. Follow-up contact with individuals and entities previously solicited may be conducted.
- 2) If United Way believes timing conflicts may exist between agencies in conducting their capital campaigns, it shall encourage the agencies to consult with each other to develop plans which are in the best interest of the organizations and the community.

5. **Sanctions**

If partner agency fund raising is conducted in direct conflict with the United Way campaign (either in design or timing), when clearly not permissible, the following procedures will be in effect:

- A. the Fund Distribution Executive Committee of the United Way shall review the circumstances of the partner agency's fund raising campaign;
- B. the Fund Distribution Executive Committee will present to the Board of Directors of United Way appropriate recommendations for action on the part of the United Way; and,
- C. the partner agency conducting the fund raising drive will be subject to sanctions which may include reduction or elimination of allocations for the current fiscal year, probation, suspension or disaffiliation from United Way.

6. **Review and Interpretation**

The Fund Distribution Executive Committee, with approval by the United Way Board of Directors, will interpret policy when organizations have questions.

ARTICLE XIII – Donor Choice

The donor choice program was initiated to provide donors a broader range of options in donating to United Way and more control over how their dollars are distributed. Since the United Way of Central Virginia uses the method of donor choice which adds direct designations to the allocation level of each agency, it is critical to ensure an atmosphere in which agencies do not promote themselves above other organizations or one which would entice a donor to direct his/her gift to the agency. Guidelines for the development of a cooperative and team-oriented atmosphere follows.

1. Partner agencies are encouraged to continue their regular pattern of advertising and promotion. Such activity should serve to highlight services of the agency, not encourage designations.
2. Partner agencies shall not directly encourage their members, general constituency, volunteers, board members, clients, etc. to designate their agencies through the United Way campaign. Partner agencies shall be permitted to inform members, general constituency, volunteers, board members, clients, etc. that it is a partner agency, but not for the purpose of soliciting designations. This notification may be done in newsletters and regularly scheduled mailings but not in a mass mailing or promotion for the sole purpose or with the main focus of notifying the public that the agency is eligible to receive designations.

Examples of acceptable statements for agencies to use include the following:

Partners

- a. Agency X receives ongoing support from United Way and is eligible to receive designations through United Way's annual campaign.
- b. Agency X is a United Way partner agency.
- c. Please support United Way's annual campaign. [Placed in agency newsletters and communications.]
- d. Agency X is eligible to receive designations through United Way's annual campaign.

Examples of unacceptable statements for partner agencies to use include the following:

- a. Please designate Agency X during this year's United Way campaign.
- b. We encourage you to designate your United Way gift to our agency/Agency X.

Agencies choosing to use a statement other than those noted above must receive approval in writing of the wording from United Way's Vice President, Community Impact or President prior to its use.

3. Any person may forward a complaint to the United Way office regarding a suspected abuse of this Article XIII. All complaints will be treated confidentially and reviewed by the President, Vice President, Community Impact and/or Fund Distribution Executive Committee. They will follow the procedure below, as warranted:
 - a. review the circumstances of the agency's suspected inappropriate self-promotion activity;
 - b. confer with the agency and request a written response to the situation within thirty (30) days;
 - d. present to the Board of Directors of United Way recommendations for action, which may include the finding that the agency was not in violation of Article XIII the agency will be notified of the Board's decision no more than ten (10) working days following its deliberation; and,
 - e. the partner agency involved will be subject to sanctions which may include reduction or elimination of allocations for the current fiscal year, probation, suspension or disaffiliation from United Way.

ARTICLE XIV – Program Revisions and Staff Changes

Approval of the United Way Board of Directors is required when program changes necessitate major adjustments to an agency’s approved program or budget for the current year.

1. Adjustments that are made which result in any substantial departure from the scope and program of an agency as originally approved as presented during the Allocations Process.
2. If reductions are made in staff positions or overall operations partially or fully supported through United Way dollars, an agency must contact the United Way regarding this change within thirty (30) days. The United Way reserves the right to reduce the agency’s allocation proportionally with this change.

A partner agency must request that these funds be maintained for other purposes by submitting a formal request outlining the alternative use of them within thirty (30) days.

3. A reasonable period of three (3) months is allowed for filling a new or open position. If the position is not filled within this time frame, the United Way may reduce the agency’s allocation by the appropriate amount of salary-savings realized by the agency.

An agency may request a waiver of this policy. Such requests must be made fifteen (15) days prior to the end of the three (3) month limit.

ARTICLE XV – Operating Income

A. Allocations Limited to Operating Expenditures

United Way allocations (not including direct designations) shall be for operating expenditures only and not for capital expenditures, such as new buildings, renovations, major replacements in equipment and similar improvements.

B. Permanent Assets and Income from Accounts

Endowments, legacies, bequests, real estate, personal property and trust funds shall remain the property of the individual agency and the agency may add other gifts to them. The income realized from invested funds shall be noted in the agency’s funding application in the appropriate location.

ARTICLE XVI – Allocation Procedures

The fiscal year for United Way allocations and reporting shall be from July 1 through June 30. Where possible reporting should be on this fiscal year; however, consistency is the most important element. It is understood that agencies may, for their own business transactions, have a different fiscal year. Beneficiary Statistics and Outcome Data collection are based on the calendar year or other annual period as agreed upon by the agency and United Way.

A. Adjustments from the Requested Budget to the Revised Budget

If an agency's funding level significantly changes its proposed budget as submitted during the Allocations Process, a revised budget may be requested by the Fund Distribution Committee as it believes necessary. To help the Fund Distribution Committee interpret the revised budget, all substantial changes in income and expense line items made, due to the new funding level, should be explained on an attachment to the revised budget.

B. Suspension of Allocation Checks

The United Way President is vested with the authority to suspend allocation checks if an agency is clearly in violation of any these Fund Distribution Policies. The President will immediately inform the Fund Distribution Chairperson and Board Chair of such action. The agency shall be notified in writing of the alleged violation and will have thirty (30) days to comply with the policies or request a meeting with the Fund Distribution Executive Committee.

ARTICLE XVII – Amendments

Amendments to these Fund Distribution Policies will be initially reviewed by an ad hoc committee of representatives of the United Way's Fund Distribution Committee and United Way's partner agencies' directors.

Amendments to these Fund Distribution Policies may be approved by the United Way Board of Directors at any regular meeting; amendments proposed must be submitted in writing to the Board at least five (5) working days in advance of the meeting.

Draft Completed: 3/16/98

Committee review completed: 7/7/98

Agency review completed: 9/27/98

Board approved: 10/13/98

Revised by Board: 10/12/99

Article XII Revision Board Approved 5/19/2005

Article IV and V Revision Board Approved 9/15/2005

Revised by Board: 11/20/2008