

Policy Type: Operational | Fund Distribution
Policy Title: Agency Relations Policy
Originally Adopted: December 15, 2005
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I. Agency Audits and Financial Statements

United Way will examine partner agencies' annual financial statements and management letters for assurance that agencies are financially sound.

1. Each partner agency will provide a copy of the annual financial report approved by the partner agency's board of directors, for the United Way Audit Committee's review. The financial report will include at minimum a Balance Sheet and a Statement of Revenues and Expenditures, and will include all funds and activities of the agency.
2. Annual financial reports are to be submitted to United Way no later than 180 days after the close of an agency's fiscal year-end. If an agency is unable to meet its due date, a written request for extension must be submitted to and approved by the Audit Committee.
3. A copy of the "Management Letter", if one is issued by the Certified Public Accountant, should be submitted with agency audits. If the agency chooses, it can include its comments to the management letter.
4. United Way reserves the right to request additional information or audited financial statements for any individual agency, or to suspend allocations for failure to comply with this policy.
5. United Way will review each financial report submitted, and will provide reports to the Fund Distribution Committee on:
 - a. The status of each agency's compliance with this policy.
 - b. Any other information considered relevant to the Fund Distribution Committee's allocation decisions. Such information could include, but not be limited to, data that indicates that an agency is near insolvency, or is expending a disproportionate portion of its revenues on activities not meeting a community need normally supported by the United Way.

II. Non-Discrimination Policy

United Way of Whatcom County requires grantee's to agree they will not discriminate in programs, services, staffing and/or volunteer areas on the basis of race, color, gender, disability, sexual orientation, age, national origin or religion. This policy will allow grantee's to target specific populations for services. However, these services must be open to all people in the targeted populations.

III. Anti-Terrorism Compliance

All grant recipients funded by United Way of Whatcom County must comply with the Anti-Terrorism/Patriot Act.

IV. Agency Supplementary Fundraising

United Way of Whatcom County has the privilege and responsibility for soliciting the public on behalf of partner agencies in one community-wide fundraising drive per year. Those solicited include employee groups at their places of employment, corporate and other businesses, the labor community and the public at large.

The success of the United Way campaign depends upon the cooperation of partner agencies, both in their enthusiastic support of the campaign and in their refraining from competing with United Way. Restrictions on partner agency fundraising are designed to focus all energies on campaign success, not to hinder partner agency's effort of self-support.

Partner agencies are expected to refrain from solicitation of employee groups at their workplace for payroll deductions at any time of the year.

V. Partner Agency Staff Salaries and Benefits

The responsibility for the administration of partner agency's staff salaries and benefits rests with the agency's board. The decisions regarding salary increases, salary ranges and benefits rest with the partner agency's board of directors.

The United Way allocation is not a line-by-line allocation against an agency's budget; rather it is a lump sum distribution to specific agency programs. While the allocation itself may be influenced by cost factors presented by the agency, the distribution of the allocation to budget categories is an agency board responsibility.

VI. Fees for Service

The services provided by partner agencies of United Way of Whatcom County should be available to all regardless of income. However, it is recognized that some families and individuals can afford to pay part or all of the cost of services. United Way believes that those who can afford to pay part or all of the cost of services should be encouraged to do so. Therefore, the development of reasonable fee schedules is seen as a method of making services available to all without depriving those who are unable to pay.

Partner agencies of United Way of Whatcom County are encouraged to establish equitable fees for services rendered. Fee schedules should be related to the full cost of services and scaled downward to reflect the realistic ability of clients in various income categories to pay. Agencies should be certain that the fee is discussed and understood by their clients. The fee schedule to be used by agencies is a matter to be determined by agency boards of directors, but should be related to the actual cost of providing the service. When recipients of service have agreed to pay a fee, the agency shall exert reasonable effort to secure payment.

VII. Government Grants and Purchase of Service Contracts

United Way of Whatcom County encourages partner agencies to develop and maintain financial support sufficiently diverse to avoid over dependency on any one source of income. Partner agencies are therefore encouraged to explore and enter into government grants and government purchase of service contracts, as they can represent significant support for human services. At the same time, a number of factors should be considered when exploring government funding:

1. Every effort should be made to have government fund the full cost of providing service.

2. In determining full cost of services, include the management and supervision costs incurred in carrying out the program.
3. Have a contingency plan for changes in government funding. United Way has no means of accommodating to or replacing government support that is discontinued.

VIII. Venture Grants

Venture Grants are intended to provide short-term support for start-up, development or stabilization of new or untried agencies or programs, or to enhance the capacity of existing agencies and service delivery systems - for example, support for collaborative efforts among agencies or sectors by fostering the improvement of programs and agencies which are already a part of the local United Way system.

1. Venture Grants will normally be available for a period of twelve (12) months and renewable for up to three (3) years. While United Way will entertain applications for renewal on a year-to-year basis up to three years, it is important to note that there is no commitment to renew. In no event would more than two successive renewals be considered.
2. To be eligible for Venture Grants, agencies or groups must be incorporated, non-for-profit, IRS tax exempt and in good standing with the IRS. A photocopy of the agency or group's IRS letter and a copy of the agency or group's by-laws should be provided with the proposal.
3. Proposals for Venture Grant funds will be considered from both United Way and non-United Way agencies and groups. Each proposal should include the following:
 - a. A concise statement of project purpose and its relationship to the sponsoring agency's purpose(s) and program(s).
 - b. A description of the project, including project goals and objectives, expressed in measurable terms.
 - c. A total project budget, including requested Venture Grant support. Anticipated future funding requirements and sources, if the project is successful.

IX. Appeal of Annual Allocations

An appeal of an agency's allocation should be submitted as soon as possible, but no later than 30 days after receipt of the allocation letter. The appeal letter from the Agency President to the United Way of Whatcom County Board Chair should be made on specific grounds that lend themselves to documentation. The three major grounds for appeal are:

1. The agency made an error in its presentation.
2. The Fund Distribution Committee clearly misunderstood the presentation.
3. There has been a significant change in the agency's circumstances.

Where possible, preliminary discussions between the Agency Executive and the United Way staff should be scheduled prior to the formal agency request for an appeal hearing. Following the receipt of a written request for a hearing, a meeting time mutually acceptable to both organizations will be scheduled. Agency appeals will be considered by United Way's Executive Committee or by a committee appointed by United Way's Board Chair. United Way's Board of Directors will make the final decision.