Community Investments:
Agency Manual
Introduction

This manual is intended to be a resource guide for any community agencies, including existing and potential partners. Its purpose is to provide general information about the United Way of South Hampton Roads’ (UWSHR or United Way) community investments, as well as policies and frequently asked questions that are associated with these investments. The contents of this manual will be reviewed and adapted regularly and are subject to change.

About United Way of South Hampton Roads

For more than 95 years, United Way has served our local community. As the needs of individuals and families in our community grow more complex, we are adapting our model to better serve them. More than a “funds raiser,” we are bringing together people and resources to solve problems too big for any of us to solve alone. Through the help of generous volunteers, donors and community partners, we are changing the odds for children, veterans, and families across Hampton Roads.

Population Focus

We focus on partnering with vulnerable populations in the South Hampton Roads communities of Chesapeake, Isle of Wight, Norfolk, Portsmouth, Suffolk, and Virginia Beach. This includes those below the Federal Poverty Level (FPL) as well as those struggling to make ends meet, who we call ALICE®.

ALICE® is an acronym coined by a collaborating group of United Ways that stands for Asset Limited, Income Constrained, Employed. The ALICE population represents a growing number of households in our community who work hard and earn more than the official Federal Poverty Level, but less than the basic cost of living. Previously known as the working poor, ALICE makes too much to qualify for most government assistance yet struggles to afford life’s essentials. Typically, ALICE is one life changing event from falling into poverty.

The future success of our community is directly tied to the economic stability and wellbeing of ALICE households. When ALICE suffers and is forced to make difficult choices, we are all impacted – ALICE is your child’s favorite preschool teacher, the home health aide who cares for your niece with disabilities, your elderly neighbor living on a limited fixed income, or the administrative assistants in your office. See link to full report below chart.

<table>
<thead>
<tr>
<th>City/County</th>
<th>Total Number of Households</th>
<th>% Households below FPL</th>
<th>% ALICE Households</th>
<th>Total % ALICE and below FPL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Beach</td>
<td>168,061</td>
<td>7%</td>
<td>31%</td>
<td>38%</td>
</tr>
<tr>
<td>Norfolk</td>
<td>87,910</td>
<td>17%</td>
<td>42%</td>
<td>59%</td>
</tr>
<tr>
<td>Chesapeake</td>
<td>83,364</td>
<td>7%</td>
<td>37%</td>
<td>44%</td>
</tr>
<tr>
<td>Portsmouth</td>
<td>36,615</td>
<td>15%</td>
<td>39%</td>
<td>54%</td>
</tr>
<tr>
<td>Suffolk</td>
<td>33,377</td>
<td>10%</td>
<td>32%</td>
<td>42%</td>
</tr>
<tr>
<td>Isle of Wight</td>
<td>13,902</td>
<td>10%</td>
<td>31%</td>
<td>41%</td>
</tr>
<tr>
<td>South Hampton Roads</td>
<td>423,229</td>
<td>10%</td>
<td>35%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Community Vision for Change
We envision a community where all individuals and families thrive and reach their full potential. To fully realize this vision, we must support those living in or on the verge of poverty or crisis with navigating a path to self-sufficiency. Factors that prevent children and families from experiencing safe, stable, and successful lives are complex and must be addressed holistically.

Today’s complexity can be partially attributed to the fact that the world around us is changing drastically and the field of human services is not isolated from these changes. Consider, for instance, that technological innovations and globalization impact employment opportunities and create fluidity in the types of jobs and skills required. Changes like these have serious implications for how we deliver services. In this case, rather than helping people get things such as a specific job or training, our field should be building individuals’ capacity to set and achieve goals themselves so that they are adept at navigating work and life as circumstances in their lives and the world around them continue to change.

Ultimately, it is our responsibility to discover ways to design and re-design our programs, organizations, and systems so that they are best equipped to confront complexity while treating people with dignity and maximizing impact. Much of this discovery lies in our commitment to keeping up with emerging research. As we learn new knowledge, we embrace a growth mindset that challenges us to continuously assess our work and ask, “what can we do better?”

Brain science offers one illustration of how emerging research can inform practice.\(^1\) We now know that persistent experiences of poverty, trauma, and oppression cause high levels of chronic stress, which subsequently lead to predictable changes in thinking and behavior. This is because brain development and executive functioning skills are weakened, making it difficult to analyze problems, plan, maintain self-control, and exercise good judgment. When executive functioning skills are compromised, children have trouble learning and adults struggle to manage everyday life. The good news is that executive functioning skills can be developed and strengthened across all stages of life, and improvements can then amplify positive results that people achieve in their lives as well as facilitate independence. Just as our knowledge about the impact of poverty and trauma on the human brain has evolved, so too must the ways we invest in and engage with people on their journeys to self-sufficiency.

Transforming our collective work involves a willingness to critique ourselves and adopt evidence-based practices and values into our programs, organizations, and systems. Below, we share a few design principles and practices as examples of what we value in our community vision for change.\(^2\)

- **Individualization:** There is no one-size-fits-all approach programming. Flexible services and individualized goals empower children and adults to attain success in their personal journey.

- **Collaboration:** The challenges people face cut across all of the Bridge pillars (see page Our Tools section below). To achieve lasting change, we must break down the silos so

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that services go beyond singular programs. When we make space for collaborative inquiry, we cross-pollinate ideas that lead to creative problem solving and innovation.

- **Coaching:** In contrast to case management, coaching intentionally partners with the participant to build skills necessary for significant, sustained behavior change. The coaching approach is typically scaffolded, meaning mentors guide participants more intensively at first and gradually step away to facilitate independence. In turn, coaching techniques and the use of scaffolding strengthen participants’ executive functioning skills. This approach emphasizes long-term, multi-faceted, and individualized goals for life improvement rather than attainment of pre-determined program goals.

- **Environmental design:** Environmental cues influence human behavior and thought process. By incorporating brain science into the processes and physical environments of our programs and organizations, we can reduce stress and support improved functioning. Examples include natural lighting, managing noise levels, and eliminating barriers to accessing programs.

- **High expectations:** Success is deeply tied to the beliefs and expectations that direct service providers and practitioners have about their participants. The ability to create and maintain high expectations is no easy feat given the broader societal context that perpetuates stereotypes and public narratives that degrade people who face the most challenges. Use of strength-based practices in programs and adopting counter narratives within organizations illustrate examples of ways to promote a growth mindset.

- **Training:** Strategies that build the professional skills of staff facilitates the adoption of best practice on the front lines. Examples include trauma-informed care, motivational interviewing, and cognitive behavioral therapy.

Through United Way’s investments and the engagement embedded within, we aim to partner with organizations that are ready to join us in embracing transformational change across our collective work.

**Our Tools**

This kind of cutting-edge, big-picture work requires a network of partners and a set of tools to help us deliver results effectively and efficiently. While not an exhaustive list, the following tools help us maximize use of data, collaboration, and best practice to transform how we approach our collective work. Moreover, we believe our work is bolstered when these tools are used in conjunction with each other.

- **Mobility Mentoring®** is a model developed by Economic Mobility Pathways (EMPath) that we adopted in 2016. We believe that the methods, principles, and research of

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Mobility Mentoring can be applied at varying degrees in diverse settings across health and human services.

Among its many tools and resources is the Bridge to Self-Sufficiency (Bridge), which is both an assessment tool and a framework. The Bridge illustrates the core areas (horizontal axis) in which participants set goals and chart their path to self-sufficiency and supports them with making decisions in context. The upward journey (vertical axis) from crisis to stability to thriving helps people consider their future. Taken together, the Bridge helps participants navigate and plan in the areas they need to focus on to achieve upward economic mobility. It also demonstrates that there is no quick journey from poverty to economic independence, and that services must be coordinated, comprehensive, and have a long-term orientation. Here’s a link to view the South Hampton Roads Bridge to Self-Sufficiency.

The model also includes an intergenerational approach and accompanying tools, such as a separate Child Bridge. For a more complete description of the Mobility Mentoring model, please visit EMPath’s website.

- **GHRconnects**, the Community Indicators Dashboard, tracks meaningful, accurate and standardized data over time. It gives a clear picture of how our region is performing in a variety of critical areas and drives data-driven decisions to help us turn the curve and improve quality of life. GHRconnects also documents and promotes best practices and serves as a space for community collaboratives to communicate the impact of their work.

- **Unite Us** is a collaborative software that allows us to seamlessly connect people with the services they need in real time. It shifts our work from fragmented services to coordinated care networks. In Unite Us, partners account for their results over time as they help clients like ALICE® access the services that are right for them. Our system dramatically increases efficiencies, enables visibility into every client’s total journey, and meets the highest standards of security, such as full and verified HIPPA, FERPA, SOC2 compliance. It also helps us achieve the Mobility Mentoring principles of collaboration and individualization.

- **Results-Based Accountability (RBA)** is an approach that encompasses population and performance accountability. RBA provides a simple, structured approach for measuring performance of programs and services. RBA has three types of performance measures: how much did you do?, how well did you do it?, and is anyone better off? Measures that indicate whether anyone is better off are most important and meaningful yet are hardest to control.

- **Ages & Stages Questionnaires® (ASQ®)** provides reliable, accurate developmental and social-emotional screening for children between birth and age 6. ASQ has been specifically designed to pinpoint developmental progress and catch delays in young children—paving the way for meaningful next steps in learning, intervention, or
monitoring. Specifically, the ASQ-3 (Third Edition) screens children’s progress on communication, gross motor, fine motor, problem-solving, personal-social development, while the ASQ:SE-2 (Social-Emotional, Second Edition) is screens only on the social and emotional development of young children.

United Way supports all Early Childhood Success grantees with utilizing these tools. In partnership with EVMS Minus 9 to 5, we are expanding this work through the creation of the Hampton Roads Developmental Screening Initiative. The goals of the initiative are to promote greater awareness and understanding of universal developmental screenings and increase the number of partners using a standardized set of tools that link to a newly formed ASQ community hub. We invite any organizations that serve young children to become a partner with us in this endeavor.

**Community Investments Governance Structure**

Investment decisions are 100% volunteer-driven. The Community Investments Committee (CIC) is comprised of 10 or more community members who meet monthly on all matters relating to community investments. The CIC reports directly to the UWSHR Board of Directors (BOD) and is led by a chair and vice-chair who serve on the BOD. The CIC is responsible for providing general oversight to all community investments and associated policies and procedures.

In addition, members of the CIC serve as the chairs for all review panels. This means they provide leadership to panel volunteers and present recommendations from their respective panels to the CIC for discussion. The CIC then finalizes recommendations and presents them to the BOD for approval. The diagram below illustrates the Community Investments governance structure.
Agency Certification

Certification Overview

Certification is a one-year classification – and not a grant funding opportunity – that United Way of South Hampton Roads offers to local nonprofits that have a direct, substantial presence in UWSHR’s service area. Certification demonstrates to the public that an agency has met a robust set of standards covering three core areas: financial health, governance, and performance accountability. All certified agencies have access to the full list of benefits that certification offers. When an agency is approved for certification, this status is active from July 1st through June 30th of the respective year.

Certification Benefits

Certification offers a variety of valuable benefits to agencies, including:

- Promotion in United Way campaign marketing materials by inclusion on the list of certified agencies. This makes it easy for donors to designate to an organization through the UWSHR workplace campaign.
- Inclusion in other campaigns administered by the United Way.
- Co-branding opportunities.
- Third party endorsement (by United Way) that an organization meets the high standards set by the volunteer Community Investments Committee (CIC) of United Way, so that donors can trust that their monies are being invested in good faith.
- Access to pooled resources, such as participation in United Way’s group health insurance plan.
- Leveraged funding or sponsorship opportunities (as an agency in good standing with UWSHR).
- Full access to grant funding opportunities offered through United Way.

Certification Standards

The certification standards cover the core areas of financial health, governance, and performance accountability and represent the measures by which agencies are evaluated for certification. The standards are maintained by the CIC, which reviews them annually and recommends modifications (as appropriate) to the UWSHR Board of Directors for approval. A snapshot of the standards is provided in the table on the following two pages, and detailed explanations are available in Appendix A.
## Snapshot of Certification Standards

<table>
<thead>
<tr>
<th>Standards</th>
<th>Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GOVERNANCE</strong></td>
<td></td>
</tr>
<tr>
<td><em>Standard 1a: VDACS registration</em></td>
<td>Up-to-date VDACS filing status</td>
</tr>
<tr>
<td><em>Standard 1b: Current filing of IRS Form 990</em></td>
<td>On-time filing or evidence of filing for an extension; Tax-exempt status (Line I) is 501(c)(3)</td>
</tr>
</tbody>
</table>
| *Standard 1c: Bylaws meeting the stated benchmarks* | - A clear articulation of the agency’s formal structure and lines of authority  
- Clear definitions of an agency’s mission and purpose  
- Procedures for election and tenure of board members and officers, appointment of committees, and regular rotation of board  
- Board attendance requirements and procedures for filling vacancies |
| Standard 1d: Directors’ and officers’ liability insurance (D&O) | Minimum of $1,000,000 in coverage |
| **Standard 1e: Board of Directors’ membership and composition** | - Diversity of the areas of expertise/industry represented. Membership shall not be limited to special interest groups.  
- Board size: Minimum of 6 members and larger boards should be “working” boards  
- Demographics of board membership |
| **Standard 1f: Board of Directors’ activity and engagement** | - Full board meets a minimum of 4 times per year  
- Evidence of committee structure and activity  
- Minimum of 50% average annual attendance rate  
- “Give or get” fundraising participation by all board members  
- No conflicts of interests among members  
- No financial compensation of members  
- Working relationship between Board and CEO/ED exists and demonstrates that CEO/ED executes Board policy/strategy and oversees internal administration  
- 12 months of meeting minutes reflects reasonable oversight and critical actions taken by board |
| **Standard 1g: CEO compensation percentage** | Dependent on multiple factors, primarily assessed by comparison with similar sized organizations |
| **Standard 1h: Personnel policies and procedures** | - Personnel policy manual with year created  
- Procedures for handling employee grievances and disciplinary issues  
- Process for regular evaluation of salaries and other forms of compensation  
- Non-discrimination statement that identifies organization as an Equal Opportunity Employer  
- Written job descriptions  
- Process for employee performance review (at least annually)  
- Anti-abuse or anti-harassment policy  
- Procedures for evaluating the performance of Board of Directors and CEO/ED  
- Existence of succession plan (to effectively manage anticipated or unanticipated change in key leadership and reduce vulnerabilities associated with transitions) |
| **Standard 1i: Legal action or litigation** | No legal issues or if legal situation exists, deemed as “normal course of business” |
### FINANCIAL HEALTH & MANAGEMENT

**Standard 2a: External financials**  
Unqualified/clean opinion or no exceptions; Conforms to Generally Accepted Accounting Principles (GAAP).

**Standard 2b: Basis of accounting**  
Use of accrual accounting (exceptions may be granted for small-sized nonprofits)

**Standard 2c: Annual balanced operating budget**  
Operating budget exists and has Board approval

**Standard 2d: Annual level of revenue generated**  
Minimum of $200,000

**Standard 2e: Diversity of revenue sources & public support**  
Federal government funding as % of total revenue; Top funding source as % of total revenue (flagged at 30%+)

**Standard 2f: Operational, unrestricted cash reserve**  
Existence of and amount in reserve account(s)

**Standard 2g: Days of cash on hand**  
\[
\frac{\text{cash, non-interest-bearing + savings and temporary cash investments}}{\text{total expenses}} \times 365 = 90+ \text{ days.}
\]

**Standard 2h: Debt ratio**  
\[
\frac{\text{total debt}}{\text{total assets}} = 0.5 \text{ or } 50\% \text{ or less, desired trend is a decreasing ratio.}
\]

**Standard 2i: Program expense percentage**  
\[
\frac{\text{program expenses}}{\text{total expenses}} = 65\% \text{ or greater, desired trend is an increasing percentage}
\]

**Standard 2j: Operating expense percentage**  
\[
\frac{\text{administrative expenses}}{\text{total revenue}} = 30\% \text{ or less}
\]

**Standard 2k: Fundraising expense percentage**  
\[
\frac{\text{fundraising expenses}}{\text{total revenue}} = \text{Under 10%}
\]

**Standard 2l: Fundraising efficiency ratio**  
\[
\frac{\text{fundraising expenses}}{\text{total contributions}} = \text{Under 10% preferred, under 20% acceptable}
\]

### STRATEGY AND PROGRAMS

**Standard 3a: Service history, purpose, and local presence**  
- Primary purpose of the organization is to serve as a health and/or human services agency
- Demonstrated history of providing quality and relevant (non-duplicative) services for a minimum of 3 years
- Direct and substantial local presence within South Hampton Roads communities of Chesapeake, Isle of Wight, Norfolk, Portsmouth, Suffolk, and Virginia Beach (based on total # of individuals or households served annually in relation to scope of agency’s work)

**Standard 3b: Strategic planning, decision making, and alignment**  
- Established and clearly stated organization mission, vision, and values, aligns with UWSHR
- Existence of current strategic plan that clearly demonstrates how strategic priorities and services align with mission and available resources
- Demonstration of ongoing and systematic planning processes that regularly (re)evaluate and improve services, programs, and internal practices
- Services not being cost-competitive with comparable services available in the for-profit sector

**Standard 3c: Expectations for programs**  
- Alignment with organizational mission and strategy
- Documentation that at a minimum includes service descriptions and population served
- Well-defined, robust performance measures that demonstrate progress
- Valid tools for measurement and assessment
- Publicly available information, including fees and availability of discounts and/or scholarships
- Inclusive, accessible services

*Indicates mandatory standards; all others are discretionary.
Certification Application & Eligibility
To be considered for certification, a formal application must be completed and submitted annually by each agency by the stated deadline. For currently certified agencies, there is no automatic right of renewal. The application requires agencies to demonstrate that they adequately meet eligibility requirements and standards. The applicant must verify that its Board of Directors and Executive Director/CEO has authorized the submission.

The application opens once a year, generally in December or January. New agencies can typically apply during this period, though in some years, the United Way may elect to keep the process closed. The United Way offers information and training sessions prior to the application opening. These sessions present an opportunity to learn about certification, gain further insight about the process, and ask questions. Attendance at one of the sessions is typically a requirement for new agencies and sometimes returning applications.

Each year, all certified agencies will receive digital communication with information about the renewal process and key dates, and this information will be publicly posted on the UWSHR website once it becomes available. Agencies that are not certified are encouraged to inquire at any time so that they are included in the announcement.

Certification Review & Notification
While United Way staff support the review process, decisions are 100% volunteer-driven.

Certification Review. United Way staff conduct an initial review of all applications to ensure requirements are met and identify any potential concerns. Volunteers serving on the Financial Review Panel review all applications for certification, including those from new and returning agencies. They primarily focus on the financial standards.

For currently certified agencies, the standards that fall outside of the Financial Review Panel are reviewed by United Way staff, who bring any concerns to the attention of the CIC.

For applicants seeking certification as a new agency, the Financial Review Panel findings are provided to a separate review panel, the New Agency Certification Panel, which then completes a comprehensive review of all requirements and standards. New agency applicants may be asked to participate in a site visit with volunteers as a requirement of the review process. Findings from both panels are presented to the CIC by the respective chairs and a final recommendation is then made by the CIC to the UWSHR Board of Directors for approval.

Notification. All agencies will receive written notification annually about whether they are approved for certification or ineligible for the following campaign year, which begins on July 1st of each year. If an agency is not approved for certification, it is generally welcome to reapply in future years provided that adequate improvements are made. Before reapplying, it is strongly recommended that agencies consult United Way staff for further guidance.
Grant Funding Opportunities

As we respond to cultural shifts in the workplace and community, we seek to strengthen and reimagine our work through a variety of existing and emerging strategies. Beginning in 2019, our grant opportunities will be offered primarily through Request for Proposals (RFPs) released throughout the year to enable flexibility and responsiveness while promoting greater structure and cohesiveness. Across these opportunities, we aim to invest in direct services (including both essential services and program investments) and systems change because we believe this two-pronged approach is crucial to tackling our community's most complex challenges.

Organizations are encouraged to apply for any and all opportunities that suit their programming and strategic objectives. Current opportunities are posted on the Agency Resources page of the website. The table at the end of this document represents an overview of United Way’s grant funding by focus area, investment percentage for 2019-2020, and the status of these opportunities for 2020-2021.

Program Investments

Program Investments represent the longest-running grant funding opportunities at United Way. In 2019, RFPs were released in three investment areas: Early Childhood Success, Youth Success, and Thriving Families. Please see the tables at the end of this document for more details about these investments.

Program Investments include essential services, which offer assistance to individuals and families in immediate crisis or on the verge of crisis. The results achieved through essential services resolve threats to stability for individuals and families and relate to Maslow’s (1943) basic hierarchy of needs (physiological and safety levels). Essential Services often become entry points into programs that utilize a longer-term approach to self-sufficiency.

Essential services are generally defined by:

- short-term, one-time, or limited engagements with people accessing assistance, such as emergency food, rental, or utility assistance to ensure people eat and remain safely housed.

OR

- longer-term supports that assist those whose conditions are not expected to change, such as prepared meals delivered to homebound older adults.

Other Program Investments have more extensive engagement with program participants. Examples include youth development and out-of-school time programs, programs that achieve permanent housing, and other types of programming that produce measurable results among participants. Sometimes a program may begin as an essential service and extend into longer-term engagement.

Initiative Investments and Special Projects

Our two current initiatives – Mission United and United for Children – are long-term, multi-sector efforts that focus on specific populations and address entrenched problems by establishing a common agenda and aligning resources and strategy.

Mission United is the first ever coordinated network of community resources and services in Hampton Roads providing relief and support to veterans, active duty military members, and their
families. Utilizing Unite Us technology, we seamlessly connect military-connected individuals and families to services such as affordable housing, job training, and health care. The Hampton Roads region boasts one of the largest military-connected populations in the nation – over 400,000 veterans, active duty members, and their families.

United for Children exists to give every child in South Hampton Roads the support needed to achieve their dreams. Our United for Children work began in 2012 in the St. Paul's area of Norfolk, a neighborhood with endemic generational poverty and concentrated public housing where more than 50% of residents are children. Through cross-sector partnerships with nonprofits, faith-based partners, city governments, school districts, and community stakeholders, we have built promising solutions by carrying the voice of our community on the issues that matter most for children. In addition to this important place-based work, we continue to expand the scope of United for Children by embracing new investment strategies while maintaining our commitment to three core values: truth, trust, and no turf.

Leveraging the strategic focus of our initiatives, the United Way will continue investing in several special projects, such as:

- Trauma-informed care in partnership with the Hampton Roads Trauma-Informed Community Network.
- Oral health in partnership with the Virginia Health Catalyst.
- Aspire, a three-year Mobility Mentoring-informed pilot funded by Women United.

As needs emerge within United Way’s initiatives and the broader community, additional RFPs may be released in 2019 to support investments in newly identified area(s) and/or opportunities.

Community Accelerator Fund

This newly established fund offers small grants and has two primary purposes:

1. To build the capacity of community collaboratives or coalitions with established systems-change goals; and/or
2. To make funds accessible for emergent, unanticipated projects or opportunities that promise creative, cutting edge solutions for our community.

Letters of interest are accepted on a rolling basis until funds are expended.

Women United Fund

Women United (WU) is a leadership giving society at the United Way that has a membership of over 900 women. Women United takes action in our community through leadership, fundraising, and advocacy. With its own governance structure that includes a funding council, they direct resources towards achieving self-sufficiency and long-term economic security among women and families living in South Hampton Roads. Through these investments, WU strives to break the cycle of poverty by using innovative, bold strategies that allow women to flourish in every part of their lives and that unite partners, align existing resources, and target service gaps.

As referenced above, Women United’s current investment strategy is focused on the Aspire pilot, a Mobility Mentoring®-informed partnership. Mobility Mentoring® is a brain-science informed coaching
model developed by Economic Mobility Pathways (EMPath) in Boston. The shift to this approach is driven by the belief that women and families are more likely to break out of poverty and reach their potential when services go beyond singular programs. Adopting a Mobility Mentoring-informed approach in South Hampton Roads is an opportunity to transform our work by collectively delivering comprehensive, coordinated resources through a coaching model grounded in empowerment and science. Participation in the pilot is open to both certified and non-certified agencies.

**Agency Frequently Asked Questions [FAQs]**

This section is a compilation of the most frequently asked questions (FAQs) we receive from agencies. Some questions are specifically targeted to certified agencies while others are applicable to all agencies. We will continue to update this section so that it represents common questions that are fielded by United Way staff.

**FAQs Exclusive to Certified Agencies**

**Are there branding expectations for certified agencies?**
Yes. As one of our certified agencies, we encourage you to proudly display the United Way brandmark (logo) on your website and marketing/event materials. Each year, we will provide all agencies approved for certification with an electronic version of our brandmark and custom clings (e.g., window decals) to post in your office and facilities.

Please carefully review Appendix B, which has specific guidelines that allow us to maintain the strength of the United Way brand and ensure consistency across our community partners.

**Are there any fundraising restrictions for certified agencies?**
No. There are no fundraising blackout periods for certified agencies.

**Can certified agencies request a cash advance?**
At times, an agency may experience a situation that warrants a need for receiving grant funding in advance of the scheduled payment. The United Way considers such requests based on the circumstances and its own financial capacity to honor it.

To submit a request, agencies must complete the Cash Advance Request Form which involves specifying the desired amount and responding to a series of questions explaining the rationale for the request and detailing information about the agency’s financial condition. This opportunity is only available to certified agencies with current grant funding through the United Way. Please reach out to United Way staff to request the Form.

**How does my certified agency request a letter of good standing?**
Outside of the United Way, some funders and corporate sponsors may request that agencies provide a Letter of good standing, demonstrating that an agency is certified and in good standing with the United Way. We will gladly fulfill requests that are directed to United Way staff. Inclusion of a draft letter in the request is appreciated and will typically expedite the process.
How does the United Way communicate information to certified agencies?

Most communications from the United Way are done electronically. Certified agencies can expect to receive investments-related announcements, such as upcoming grant funding opportunities, annual certification information, key dates and deadlines, and invitations to events or convenings. Generally, communications will be sent to agency contacts whose designated role is either Primary or ED/CEO in the United Way’s online system. Contacts designated as one of these roles serve as the main points of contact, and assist with directing each communication appropriately within their respective agencies.

How does my agency explore the possibility of participating in the United Way’s group health insurance plan?

Certified agencies may be eligible to enroll in the United Way’s health and dental insurance plans after a minimum of one year of certification in good standing. It is recommended that you consult with the United Way’s Director of Human Resources regarding your interest as soon as possible so that you can obtain specific policy information and key dates. Since open enrollment occurs in June, we generally advise agencies to reach out by April of a given year. Please also review the Policy for Health Insurance Group Plan in Appendix C.

Does an agency have to be certified for a minimum amount of time before it is eligible to apply for grant funding opportunities that are restricted to certified agencies?

Agencies can apply for restricted grant funding opportunities as long as it will have been certified for at least one year by the time the grant award starts. For example, an agency that first becomes certified for the year starting on July 1, 2018 may apply to a restricted funding opportunity provided that its grant term begins on or after July 1, 2019.

What campaigns is my agency included in as a certified agency?

Certification qualifies agencies to be considered for inclusion in the campaigns that are managed by the United Way. The following breakdown provides an explanation for the distinct stipulations associated with various campaigns.

- **United Way (UWSHR Workplace) Campaign:** Agencies that are certified will be included in the United Way’s campaign materials based on the dates for which the certification is valid. For example, an agency that is approved for certification for any given year will be included in promotional materials that are published for the campaign beginning on July 1 of that year. In some instances, a decision regarding an agency’s certification status may be delayed, which may impact their ability to be included in promotional materials.

- **Combined Charities Campaign (CCC):** By meeting certification standards set forth by the United Way and being approved for certification, agencies have the potential to be part of the CCC. The United Way staff supplies the required information for inclusion in the CCC based on data provided by each agency as part of the annual UWSHR certification process.

While the United Way administers the CCC, a local volunteer committee oversees the requirements and approves qualifying agencies for inclusion on the CCC pledge card. Note that the CCC requirements vary from the United Way. One key CCC benchmark that differs from the United Way is that an agency’s overhead ratio must be at or below 25% with no exceptions or
appeals. The CCC uses the same calculation that is included in the United Way’s Certification Standards (see Appendix A).

- **Combined Virginia Campaign (CVC):** The Commonwealth of Virginia Campaign (CVC) is conducted annually among all classified and hourly state employees and is the only authorized solicitation of employees in the state workplace on behalf of charitable organizations. The application period occurs in the spring each year. Using data collected through UWSHR’s annual certification application, the United Way staff typically applies on behalf of each of its certified agencies for participation in the CVC through the United Way of South Hampton Roads Federation. However, certified agencies will be given the opportunity to opt out of this benefit and may apply on their own. It is the responsibility of each agency to verify their information in the CVC database between January 1 and March 1 each year.

  The CVC requirements vary from the United Way. All agencies are required to maintain external financials that are dated within two years of the current CVC. One key CVC benchmark that differs from the United Way is that an agency’s overhead ratio must be below 25%, with no exceptions or appeals permitted. The CVC uses the same calculation that is included in the United Way’s Certification Standards (see Appendix A), though additional information may be requested from agencies submitting the Form 990EZ. In addition:

  - If an agency has not participated in the CVC for the past three years or more, then they are required to apply themselves.
  - If an agency has had a change in CEO or their Doing Business As (DBA) name in the past two years, then the agency must sign and mail a New Business Agreement to the CVC before the application to participate in the campaign will be accepted.
  - There is a minimum threshold for CVC donor designation totals in order for an agency to continue participation in the campaign. As of 2018, the minimum thresholds are: $250 for new charities and $750 for returning charities. If an agency does not meet this threshold, then it must ‘sit out’ from the CVC for one year.

  The CVC will contact each agency directly about inclusion or denial in the campaign. Please note that the United Way does not administer the CVC, so donor designation data related to this campaign is distributed by another entity and therefore not included in the United Way portal. Please see the CVC Guide for Charities for more detailed information.

- **Combined Federal Campaign (CFC):** Due to changes made to the process in 2017 by the United States Office of Personnel Management, agencies that wish to participate in the CFC must now apply independently and cover any associated costs.

**FAQs about Donor Designations**

*What are donor designations and how do they work?*

Donors contributing to the United Way of South Hampton Roads may designate their gift to be credited to one or more agencies. The designated amount will be discounted by an approved amount for campaign
and administrative expenses and by a fixed percentage determined annually for collection loss due to uncollectible pledges. Disbursements are released as donor payments are received.

Any designations to an agency represent the minimum it will receive. Additional funds may be awarded to the agency through UWSHR’s grant funding processes, if applicable. Thus, donor-designated funds are distinct and separate from grant funding.

**Does an agency have to be certified to receive donor designated contributions?**

No, a donor may elect to write-in an organization of his/her choice. The United Way of South Hampton Roads in Virginia limits write-in designations to charitable agencies located in Chesapeake, Isle of Wight, Norfolk, Portsmouth, Suffolk and Virginia Beach; Hampton/Newport News and contiguous areas in North Carolina and Virginia; or agencies with statewide presence, which serve those local communities.

To qualify, the agency must be designated by a donor. Agencies selected must respond in a timely manner to United Way inquiry, verify compliance with IRS 501(c)3 and the Commonwealth of Virginia registration (VDACS) requirements, and provide proof that their primary purpose is provision to a local, public, charitable social service.

Agencies designated (or “written in”) which are not certified by the United Way of South Hampton Roads are not listed in any promotional materials which are distributed by the United Way. This is unlike the public sector/government campaign, which lists all qualified applicants.

Please also review the *Policy on Designations for Certified Agencies Listed in Campaign Materials* and the *Policy Regarding Write-In/Designated Contributions to Agencies Not Listed in Campaign Materials* in Appendix D.

**How does my agency find out the amount in designations that it received from campaigns?**

Since the United Way administers its own UWSHR workplace campaign and the CCC, agencies have access to an online designations portal, with gross designation information for pledges. Additional information, including actual payment details and donor names, if provided by the donor, will be added into the portal over time.

Each year, agencies can expect to begin accessing data from the prior year around February, and updates will be provided in real-time through June 30th. It is the responsibility of the agency to retrieve and maintain documentation of this data. Since the use of an online portal for this function is relatively new, these details will continue to evolve.

Upon first visiting the portal, your agency will need to create an account. Once you enter the requested information, the United Way will confirm your access. Once you receive confirmation of your account log-in, please log-in - the landing page will be the home screen for the portal. From the home screen, you will have access to your organization’s profile, compliance reports, donor lists, donor file extraction, and user guide.
Other FAQs

Is certification an eligibility requirement for grant funding?
The United Way offers a range of grant funding opportunities and the eligibility requirements vary for each. The main distinction is that agencies must be certified to be eligible for grants that fall under the Essential Services and Program Investments funding streams, while other grant opportunities are open to certified and non-certified agencies.

Do all certified agencies receive grant funding?
No. While certification provides full access to funding opportunities, it does not guarantee that an agency will be awarded grant funds. Generally, about two-thirds of certified agencies receive grant funding in any given year, while the remaining one-third of certified agencies receive the full benefits of certifications, including promotion in the United Way campaign but are not grant funded.

In general, what is expected of certified and/or grant-funded agencies in relation to communication with the United Way?
The United Way appreciates its many valued partners. Effective, timely communication by certified and/or grant-funded agencies is a cornerstone of any strong relationship. Beyond the requirements associated with certification standards and funding agreements, certified and grant-funded agencies are expected to:

- Be responsive to United Way requests in a timely manner.
- Meet all published due dates and communicate in advance any challenges in meeting these deadlines.
- Promptly notify the United Way when key information changes or important updates emerge, such as:
  - Staffing transitions involving CEOs/Executive Directors and other positions serving as primary United Way contacts.
  - Changes to branding such as the adoption of a new legal name or logo.
  - Changes to general contact information, such as primary mailing address or main office location.

What is United Way’s policy on late applications and/or missed interviews?
Please review the United Way Funding Guidelines in Appendix F.

Are there limits to the number of grant applications or to a program or agency’s maximum award?
Please review the United Way Funding Guidelines in Appendix F.

My agency is interested in obtaining information about the United Way Foundation. What steps should we take?
The United Way Foundation will work to secure for you a permanent and profitable stream of income into the future. With the Foundation, we look to the future to assist our agencies in guaranteeing their future and financial stability.

Entrusting the gifts from your volunteers and donors in the United Way Foundation offers a non-profit agency flexibility, a simple fee structure, the expertise of our volunteer Foundation Board of Trustees and investment professionals. United Way and the United Way Foundation have the resources and the
knowledge that can assist those agencies supported through our campaign to create a steady stream of income for the future.

For more information, please see the Foundation Description in Appendix E.

**Recommended Resources**

With the internet at our fingertips, a wealth of resources is available for nonprofits. Here are a few of our favorites!

- **GHR Connects** (Greater Hampton Roads Community Indicators Dashboard) - access accurate, local data, resources, and best practices
- **BoardSource** - stay informed and inspired about strong nonprofit governance
- **Nonprofit Quarterly (NPQ)** - offers a wide array of nonprofit practitioner resources, including webinars with relevant and timely information. Recent topics have produced useful financial-related information, such as:
  - FASB, Part 1: [Preparing for the BIG Change](#)
  - FASB, Part 2: [New FASB Guidelines](#)
  - FASB, Part 3: [Update on FASB Requirements](#)
  - [Financial Risks](#)

**Contact Us**

We’re here to help! If you have any questions or comments, please refer to the [Agency Resources webpage](#) for more details and contact information of United Way staff.
APPENDIX A: Certification Standards - Detailed Explanations

Governance
At the foundation of successful and high-performing nonprofits is the presence of a strong board and executive leadership. This means that organizations must understand and implement the best practices associated with board governance, personnel management, and leadership. Effective governance is also essential to managing and leading an ethically sound, accountable organization.

*Standard 1a: Virginia Department of Agriculture and Consumer Services (VDACS) registration*
Data Source: VDACS Charitable Organization Database; copy of Certificate of Incorporation and all amendments (only required for New Agency Certification); alternative documentation may be acceptable if Database is not up-to-date.

Explanation: VDACS is the state department that oversees the statewide registration process for nonprofit charitable organizations. Some organizations may be exempt from annual registration or excluded from the requirements, while others are required to register annually. This metric allows volunteers to assess the legal status of nonprofit organizations to ensure requirements are met.

Benchmark: Up-to-date VDACS filing status
Type: Mandatory

*Standard 1b: Current filing of IRS Form 990*
Data Source: Copy of current IRS Form 990; if filing for an extension, copy of completed Form 8868 as evidence of extension request.

Explanation: The IRS Form 990 collects a wealth of information pertaining to an organization’s mission, activities, finance, and governance, enabling a review of many of the Certification metrics. To promote the highest level of transparency, organizations are expected to make its most recent IRS Form 990 publicly available on its website.

Benchmark: On-time filing or evidence of filing for an extension; Tax-exempt status (Line I) is 501(c)(3)
Type: Mandatory

*Standard 1c: Bylaws meeting the stated benchmarks*
Data Source: Copy of Bylaws and all amendments

Explanation: Bylaws essentially serve as an internal manual that spells out how an organization operates. Typically, the Bylaws are only reviewed during an organization’s initial application for Certification. To promote the highest level of transparency, organizations are encouraged to make its Bylaws publicly available on its website. Bylaws should be used, reviewed regularly, and amended when needed.
Benchmarks: Bylaws should be consistent with Certificate of Incorporation and address core activities, such as:

- A clear articulation of the agency’s formal structure and lines of authority
- Clear definitions of an agency’s mission and purpose
- Procedures for election and tenure of board members and officers, appointment of committees, and regular rotation of board
- Board attendance requirements and procedures for filling vacancies

Type: Mandatory

**Standard 1d: Directors’ and officers’ liability insurance (D&O)**

Data Source: Application

Explanation: D&O insurance covers the organization and its board of directors against actual and alleged wrongful acts. These include the areas of governance, financial, and employment liabilities. Most D&O claims are related to employment and can often be costly. Having adequate insurance coverage is a much-needed and expected protection for nonprofits.

Benchmark: Minimum of $1,000,000 in coverage

Type: Discretionary (slight differences may be considered acceptable on a case-by-case basis)

**Standard 1e: Board of Directors’ membership and composition**

Data Source: Board Roster; Application

Explanation: The most successful boards have a membership composed of diverse expertise and cultural backgrounds. Diverse viewpoints ultimately strengthen board deliberation and decision-making.

BoardSource has an excellent board matrix that can be used to assess board composition, and assist with identifying strengths and gaps. Given United Way’s mission to serve the local communities of South Hampton Roads, it is highly recommended that board members are locally based. Moreover, boards are expected to have active operational control at the local level, with an emphasis on financial oversight to ensure that dollars raised by the United Way remain within the community we serve. In some instances, the lack of local presence within a board may make an agency ineligible for certification.

Benchmarks: Reviewers assess various aspects, including:

- Diversity of the areas of expertise/industry represented. Membership shall not be limited to special interest groups. At a minimum, boards should have expertise in or representation from:
  - the community the organizations serves
  - finance
  - human resources and/or public relations
  - program development and evaluation
  - fundraising
  - legal
- Board size: Minimum of 6 members and larger boards should be “working” boards
- Operational control and decision-making including financial oversight is locally based
- Demographics of board membership

Type: Discretionary

**Standard 1f: Board of Directors’ activity and engagement**

Data Source: Application; IRS Form 990

Explanation: Highly effective boards are those that are actively and meaningful engaged in the activities of the organization, which includes upholding their responsibilities as a board. Reviewers assess the level of board engagement by examining such factors as the average annual attendance rates across members, frequency of board and committee meetings, and participation in fundraising and development. Generally, board members are expected to serve without financial compensation and without conflicts of interest, regardless of whether they are perceived or actual. For new agencies and as needed, a full year of meeting minutes may be reviewed.

Benchmarks: Reviewers assess various aspects, including:
- Full board meets a minimum of 4 times per year
- Evidence of committee structure and activity
- Minimum of 50% average annual attendance rate
- “Give or get” fundraising participation by all board members
- No conflicts of interests among members
- No financial compensation of members
- Working relationship between Board and CEO/ED exists and demonstrates that CEO/ED executes Board policy/strategy and oversees internal administration
- 12 months of meeting minutes reflects reasonable oversight and critical actions taken by board (typically new agencies only)

Type: Discretionary

**Standard 1g: CEO compensation percentage**

Data Source: Calculation from IRS Form 990 [(Reportable compensation for CEO + Estimated other compensation)/Total expenses]

Explanation: This calculation examines whether there may be a concern regarding whether an organization’s CEO compensation is reasonable. However, this metric typically requires a substantive evaluation since it is dependent upon several factors that must be considered to accurately and fully determine whether compensation exceeds what is reasonable. These include the actual job description, required education or experience, local compensation trends, and the overall budget of an organization. For our purposes, we assess this metric by comparing it to similar sized organizations, based on total revenue and staffing.

Benchmark: Dependent on multiple factors (see explanation above)

Type: Discretionary
Standard 1h: Personnel policies and procedures
Data Source: Application; Documentation or verification that policies exist

Explanation: The documentation of key personnel policies and procedures is an essential for nonprofits because they detail how an organization operates. Specifically, well-documented policies and procedures contribute to many important aspects of an organization, including complying with the law, setting expectations, promoting fairness and consistency, and providing legal protection. Organizations are expected to regularly review existing policies and procedures and make revisions and additions as needed and appropriate.

Benchmarks: Various policies are expected to be in writing, including:
- Personnel policy manual with year created
- Procedures for handling employee grievances and disciplinary issues
- Process for regular evaluation of salaries and other forms of compensation
- Non-discrimination statement that identifies organization as an Equal Opportunity Employer
- Written job descriptions
- Process for employee performance review (at least annually)
- Anti-abuse or anti-harassment policy
- Procedures for evaluating the performance of Board of Directors and CEO/ED
- Existence of succession plan (to effectively manage anticipated or unanticipated change in key leadership and reduce vulnerabilities associated with transitions)

Type: Discretionary

Standard 1i: Legal action or litigation
Data Source: Application; external financials

Explanation: The existence of any legal action or litigation involving the organization or its personnel will be reviewed to assess whether the situation and circumstances represent "normal course of business" or if its significance may impact the future and sustainability of the organization.

Benchmark: No legal issues or if legal situation exists, deemed as “normal course of business”

Type: Discretionary

Financial Health & Management
This section emphasizes the importance of nonprofit financial health as well as ensuring that organizations have sound financial management practices in place. Financial health and management relate directly to an organization’s ability to perform effectively and is a mechanism by which organizations can be held accountable to the philanthropic community.

Specifically, Standards 2g through 2l are based on a set of indicators that may be calculated during the certification review process. Taken together, these indicators (or a subset of them) are a useful starting point at which an organization’s financial condition can be evaluated. It is also helpful to consider these
calculations over multiple years to assess trends over time. Additional context may be required to more fully understand an organization’s financial health.

**Standard 2a: External financials**

Data Source: Copy of current audit or external review (see table below); if needed, Communication of Significant Deficiencies or Material Weaknesses (e.g., SAS 115 letter, management letter).

Explanation: Financial statements that are prepared by an independent accountant ensure financial accountability and accuracy. An additional layer of oversight by a committee of the Board of Directors, either through a formal audit committee or a finance or executive committee, is encouraged. Significant findings documented within the external financials will be examined. To promote the highest level of transparency, organizations are expected to make its most recent audit or external review publicly available on its website.

In recent years, the cost associated with audits has continued to grow significantly due to regulatory changes affecting the accounting industry. UWSHR recognizes that completing an audit for the sole purpose of United Way certification creates a considerable strain on agency finances. This standard represents our commitment to upholding financial accountability while ensuring that the requirements are flexible and fair.

Benchmarks: Timely financials are available based on requirements in table below; Unqualified/clean opinion or no exceptions; Conforms to Generally Accepted Accounting Principles (GAAP).

Type: Mandatory

<table>
<thead>
<tr>
<th>AUDIT/REVIEW REQUIREMENTS</th>
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<tbody>
<tr>
<td>[Approved 12/2011, Revised 10/2016]</td>
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<tr>
<td>Annual Gross Revenue</td>
<td>Required Financial Statement</td>
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<tr>
<td>≥ $1M</td>
<td>• Annual independent audit</td>
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<tr>
<td>$500,000 – $999,999.99</td>
<td>• Annual independent audit if UWSHR funding constitutes 10% or more of budget • Otherwise, external review is acceptable</td>
</tr>
<tr>
<td>&lt; $500,000</td>
<td>• Annual external review or independent audit</td>
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**Standard 2b: Basis of accounting**  
Data Source: IRS Form 990 (Part XII, Line 1)  

Explanation: The basis of accounting specifies the method an organization uses to record and report income and expenses. Cash accounting does not comply with GAAP, which means that an auditor cannot grant an unqualified opinion that the financial statements comply with GAAP.

Benchmark: Use of accrual accounting  
Type: Mandatory (exceptions may be granted for small-sized nonprofits)

**Standard 2c: Annual balanced operating budget**  
Data Source: Verified in application  

Explanation: It is important for all nonprofits, regardless of size and mission, to have an annual operating budget in place. The organization’s mission and priorities are conveyed through the budget, thus requiring oversight by the Board. The approved budget serves as a guide for the coming year. Board approval of the annual budget is one of the cornerstones of sound financial management.

Benchmark: Operating budget exists and has Board approval  
Type: Mandatory

**Standard 2d: Annual level of revenue generated**  
Data Source: IRS Form 990 (Part I, Line 12 Current Year)  

Explanation: The level of revenue generated by a nonprofit is typically reflective of its capacity across several elements of leadership and management, including finances, operations, and governance practices. Most agencies that meet the full set of Certification standards generate a minimum of $200,000.

Benchmark: Minimum of $200,000  
Type: Discretionary (based on factors such as community need and performance)

**Standard 2e: Diversity of revenue sources & public support**  
Data Sources: IRS Form 990, Funding Sources section of application  

Explanation: Diversified revenue sources mitigate the risk of a reduction in support, especially from long-term or legacy sources. All nonprofits are encouraged to consider the sustainability of current sources and be forward-thinking about ways to generate and maintain a flexible, reliable, and varied funding base.

Benchmark: Federal government funding as % of total revenue; Top funding source as % of total revenue (flagged at 30+%).  
Type: Discretionary
**Standard 2f: Operational, unrestricted cash reserve**
Data Source: Application, UWSHR Foundation account

Explanation: Commonly referred to as a “rainy day” account, organizations that have an established operating reserve that is unrestricted are best positioned to weather unanticipated circumstances, such as those relating to organizational factors or market externalities. Such reserves should not exceed cash flow needs and fair allowances for operational and/or capital replacement contingencies.

Benchmark: Existence of and amount in reserve account(s)

Type: Discretionary

**Standard 2g: Days of cash on hand**
Data Source: Calculation from IRS Form 990 [(cash, non-interest-bearing + savings and temporary cash investments)/Total expenses]*365

Explanation: This numbers serves as a measure of liquidity and represents the number of days for which cash is available to meet daily expenses. In an ideal world, organizations would have between three and six months of expenses on hand, though this threshold does not always reflect the reality of health and human service nonprofits in South Hampton Roads.

Benchmark: Two levels of flagging occur during the review process: those with less than 30 days and those that have between 30-89 days. The desired trend is an increasing number of days.

Type: Discretionary

**Standard 2h: Debt ratio**
Data Source: Calculations from IRS Form 990 & Interim financials [total debt/total assets]

Explanation: The debt ratio, sometimes referred to as a leverage ratio, is one way to measure the extent to which a nonprofit uses debt to support its activities. Debt may create an issue of financial viability or survival. Debts should not result from management, such as nonpayment of federal withholding.

Benchmark: Generally, a debt ratio should not exceed 0.5 or 50%. The desired trend is a decreasing ratio.

Type: Discretionary

**Standard 2i: Program expense percentage**
Data Source: Calculation from IRS Form 990 [program expenses/total expenses]

Explanation: This calculation reflects the percent of total expenses an organization spends on programs and services. Within reason, a higher percentage is generally better because it enables organizations to have a greater impact on their missions. The United Way uses “total expenses” as the denominator
because it reflects the true ratio of program costs in comparison to dollars spent in a given year, thereby showing the programmatic return on investment in that same year.

Benchmark: 65% or greater, desired trend is an increasing percentage

Type: Discretionary

**Standard 2j: Operating expense percentage (e.g., “overhead ratio”)**

Data Source: Calculation from IRS Form 990 [administrative expenses/total revenue]

Explanation: Examining this ratio helps assess whether operating expenses are reasonable in relation to an organization’s total revenue. The United Way uses “total revenue” as the denominator because it reflects the true ratio of operating costs in comparison to dollars raised in a given year, regardless of whether those dollars are expended in that same year. It should be noted that overhead does not have a standardized calculation.

Benchmark: 30% or less

Type: Discretionary

**Standard 2k: Fundraising expense percentage**

Data Source: Calculation from IRS Form 990 [fundraising expenses/total revenue]

Explanation: This calculation represents the percentage of total functional expenses an organization spends on fundraising. Generally, lower percentages are better. Examining this ratio helps to ensure that fundraising expenses are reasonable in relation to an organization’s total revenue. The United Way uses “total revenue” as the denominator because it reflects the true ratio of fundraising costs in comparison to dollars raised in a given year, regardless of whether those dollars are expended in that same year.

Benchmark: Under 10%

Type: Discretionary

**Standard 2l: Fundraising efficiency ratio**

Data Source: Calculation from IRS Form 990 [fundraising expenses/total contributions]

Explanation: This calculation represents the amount an organization spends on each dollar it raises. Generally, a lower percentage is preferred because it represents that an organization is effective at raising funds at a reasonable cost.

Benchmark: Under 10% preferred, under 20% acceptable

Type: Discretionary
Strategy and Performance Accountability

This section explores the strategy and programmatic aspects of the organization. Well-designed and well-implemented programs and strategies are core to an organization’s ability to achieve its mission and tell its story with compelling results.

Standard 3a: Service history, purpose, and local presence

Data Source: Application

Explanation: The organization’s primary aim is to deliver direct health and human services within the local communities served by the United Way. For the purposes of certification, services must have a demonstrated track record and a substantive presence locally.

Benchmarks:
- Primary purpose of the organization is to serve as a health and/or human services agency
- Demonstrated history of providing quality, relevant (non-duplicative) services for 3 years or more
- Direct and substantial local presence within South Hampton Roads communities of Chesapeake, Isle of Wight, Norfolk, Portsmouth, Suffolk, and Virginia Beach (based on total # of individuals or households served annually in relation to scope of agency’s work)

Type: Mandatory

Standard 3b: Strategic planning, decision making, and alignment

Data Source: Application; strategic plan; other documents as needed

Explanation: In today’s fast-paced, ever-evolving world, nonprofit strategic planning requires a dynamic, ongoing learning process among all stakeholders within an organization. Organizations are expected to have established processes that demonstrate a commitment to setting a direction, planning and monitoring efforts, and adaptive change. This ensures that programs and services have the highest degree of relevancy and effectiveness.

Benchmarks: Reviewers assess this metric based on:
- Established and clearly stated organization mission, vision, and values that align with UWSHR mission and priorities
- Existence of current strategic plan that clearly demonstrates how strategic priorities and services align with mission and available resources
- Demonstration of ongoing and systematic planning processes that regularly (re)evaluate and improve services, programs, and internal practices
- Services not being cost-competitive with comparable services available in the for-profit sector

Type: Discretionary

Standard 3c: Expectations for programs

Data Source: Application; other sources as needed
Explanation: All programs within an organization should be clearly aligned with the mission, be well-documented internally, and ensure accessibility to information and services. Each program must have established performance measures and the organization should be able to demonstrate its capacity for measuring progress by using valid assessment tools and approaches and the reporting of results.

Benchmarks: All programs and services are expected to have:

- Alignment with organizational mission and strategy
- Documentation that at a minimum includes service descriptions and population served
- Well-defined, robust performance measures that demonstrate progress
- Valid tools for measurement and assessment
- Publicly available information, including fees and availability of discounts and/or scholarships
- Accessibility through such mechanisms as:
  - Existence of fair prices (for fee-based services only)
  - A sliding scale fee structure
  - Reasonable accommodations when someone is unable to pay
  - Clear articulation of subsidy level necessary to provide the service

Type: Discretionary
APPENDIX B: Branding Guidelines for Certified and Funded Agencies

The United Way of South Hampton Roads (UWSHR) brand identity is the tangible expression of all that our organization and those we partner with stand for. It embodies what we do, how we do it and why we are a beacon of trust and support throughout our community. The most fundamental visual element of a brand identity is its brandmark (logo). **The components of our brandmark – the rainbow of hope, the hand of support and the person as a symbol of humanity – communicate the important United Way brand characteristics — caring, inspiring, trustworthy and approachable.**

As one of our certified agencies, we encourage you to proudly display the brandmark on your website and marketing/event materials. Below are guidelines to maintain the strength of the United Way brand and ensure consistency across our community partners:

- **Full Color**
  The full-color version of the United Way brandmark is the primary brandmark of the identity system. It is required that this version be used in branded applications whenever possible, particularly websites. Pantone spot color is the preferred usage, but CMYK and RGB reproduction files of the full-color brandmark are also available for use (see color palette template on next page).

- **Control Box**
  The control box is the white border that surrounds the brandmark. It must be used to create separation when the brandmark is placed on colored backgrounds.

- **Clear Space**
  Clear space frames the brandmark and separates it from other elements including text and edges. The brandmark must be surrounded by clear space that is a minimum of 1/2 the height of the symbol square.

- **Minimum Size**
  When placed on a website, the brandmark should be at least 90 pixels or 1.25” wide.

- **Please do not…**
  - attempt to redraw or rescale the brandmark
  - alter the colors in the brandmark
  - tilt the brandmark
  - distort the shape of the brandmark
  - add elements inside the brandmark
  - rearrange the elements of the brandmark
  - alter the shape of the brandmark in any way
  - substitute type in the brandmark
  - put other words or phrases inside the brandmark
  - extract any of the graphic elements or words in the brandmark to use separately
APPENDIX C: Agency Policy for Health Insurance Group Plan

UWSHR administers a group health benefits plan on behalf of certified agencies. Plan participation is neither mandatory nor automatically available to all certified agencies. Newly certified agencies are eligible after 1 year of certification.

UWSHR reserves the right to limit admission to certified agencies based on a reasonable evaluation of risk associated with their participation. It will consider plan admission of new applicant agencies only after consideration of their preceding coverage and history.

Once an agency has been accepted as a participant, it must remain in the group health plan for the duration of the plan’s contract. Should the agency decide to withdraw at the end of the contract term, it must provide the UWSHR sixty (60) days’ notice preceding the end of the coverage year (present expiration is July 1). If an agency elects to withdraw, it will not be reconsidered for plan participation for thirty-six (36) months.

If a participating agency falls thirty (30) days in arrears on their premium payments, UWSHR will debit the agency’s fund distribution by the delinquent amount. Also, if the agency fails to fulfill its obligations, UWSHR reserves the right to terminate its participation during the plan year. If this occurs, the agency’s leadership and participation employees will be notified by certified letter.
APPENDIX D: Designations

Policy on Designations for Certified Agencies Listed in Campaign Materials

Contributors to United Way of South Hampton Roads may designate their gift to be credited to one or more certified agencies. The designated amount will be discounted by an approved amount for campaign and administrative expenses and by a fixed percentage determined annually for collection loss due to un-collectible pledges. Designations is the minimum any certified agency will receive. Additional funds may be awarded to the agency through UWSHR’s competitive funding processes, if applicable.

Policy Regarding Write-In/Designated Contributions to Agencies Not Listed in Campaign Material

A donor may elect to write-in an organization of his/her choice, which serves local charitable/social service needs. The United Way of South Hampton Roads in Virginia limits write-in designations to charitable agencies located in Chesapeake, Isle of Wight, Norfolk, Portsmouth, Suffolk and Virginia Beach; Hampton/Newport News and contiguous areas in North Carolina and Virginia; or agencies with statewide presence, which serve those local communities.

Agencies designated (or “written in”) which are not certified by the United Way of South Hampton Roads are not listed in any promotional materials which are distributed by the United Way. This is unlike the public sector/government campaign, which list all qualified applicants.

To qualify, the agency must be designated by a donor. Agencies selected must respond in a timely manner to United Way inquiry, verify compliance with IRS 501(c)3 and the Commonwealth of Virginia registration (VDACS) requirements, and provide proof that their primary purpose is provision to a local, public, charitable social service.

Agencies whose primary purpose is not charitable, social service are excluded. Accordingly, churches, church programs and schools, educational institutions and foundations, cultural groups, service clubs, political organizations, and legal defense funds are not eligible.

Donors designating agencies that cannot provide requested verification of charitable status with the Commonwealth of Virginia and IRS (or which declines to accept the funds or do not respond in a timely fashion to our inquiry) will be informed the designation cannot be honored. They may consider an alternative contribution, or request the refund of a cash gift or cancellation of a payroll deduction pledge.

United Way will make every effort to contact the donor if the write-in designation cannot be processed. If the United Way cannot contact the donor, any payments will be treated as undesignated contributions available for the competitive funding processes.

The United Way reserves the right to disqualify any agency based on documented unethical conduct, excessive overhead, or inappropriate promotion.

The United Way applies a charge consistent with its audited fundraising expense against all write-in designations, and applies a system-wide factor for shrinkage (pledges made but not paid) against all write-in payroll deduction designations.
APPENDIX E: United Way Foundation

Choosing the United Way Foundation of South Hampton Roads as the stewards of your donor’s long-term gifts offers your organization the freedom to focus on those you are here to serve.

The United Way Foundation will work to secure for you a permanent and profitable stream of income into the future. United Way has been there for our agencies and the South Hampton Roads community since 1923. We strive every day—in day and out—to provide resources for our most vulnerable neighbors and with the Foundation, we look to the future to assist our agencies in guaranteeing their future and financial stability.

**Why the United Way Foundation?**

Entrusting the gifts from your volunteers and donors in the United Way Foundation offers a non-profit agency flexibility, a simple fee structure, the expertise of our volunteer Foundation Board of Trustees and investment professionals. United Way and the United Way Foundation have the resources and the knowledge that can assist those agencies supported through our campaign to create a steady stream of income for the future.

**What the United Way Foundation Offers Our Agencies**

**Minimum Contribution Requirements:** A fund of any type can be created with a minimum contribution of $10,000 and donations in any amount are accepted once the fund is established. Common fund types at the United Way Foundation include: Endowed Donor Advised Fund, Unrestricted Fund, Field of Interest Fund, Designated Fund, Organizational Fund or a Scholarship Fund.

**Asset Types Used to Create Funds:** Types of assets used to create a charitable fund include: cash, securities, retirement accounts, insurance policies or real estate. If a deferred legacy gift is preferred, your donor can make a bequest in their will naming your agency as the recipient. Because the United Way Foundation fully understands what means to hold a public charity status it can offer you the philanthropic services needed to secure the future of your organization and its good works.

**Fees for Managing Charitable Funds:** Our fees structure is simple—There is no initial start-up cost when you work with the United Way Foundation. You have only a 0.5% administrative fee for philanthropic services that come from your fund—regardless of the fund type. If the value of your fund is greater than $1 million, the administrative fee is negotiable.

**Fund Disbursements:** Fund disbursements are not held to our spending policy but, to the Fund holder(s). Although most funds adopt a spending policy of 4% to 4.5% of an average of 12 trailing quarters (3 years), funds can be requested at any time during the year and in any amount. The United Way Foundation Board of Trustees will review the request to confirm that the disbursement is meeting the guidelines set forth in the establishment of the said fund.

**Management of Funds:** The funds of the United Way Foundation are managed by outside investment managers in a diversified investment portfolio structure. This portfolio, its investment and management, is regularly reviewed by the Foundation’s Investment Committee.

*The United Way Foundation’s mission is to provide for the charitable wishes of donors who desire to establish long-term support for families and individuals through United Way and foundation affiliated agencies.*
APPENDIX E: United Way Funding Guidelines

Late Application Submissions

Agencies seeking to apply to opportunities offered by the United Way must submit the required application and all associated documents or materials by the stated deadline. Late submissions will not be considered unless an extension is requested in advance of the deadline. Extensions will only be granted on a case-by-case basis when extenuating circumstances justify one.

Number of Applications Allowed

There is no formal limit to the number of applications a single organization can submit. However, agencies are expected to limit their submissions to a reasonable number of applications per Request for Proposals (RFP). Agencies choosing to submit multiple applications to a single RFP should make this decision carefully, considering such factors as the agency’s priorities, greatest needs, request amounts, and whether any of the applications could be combined to make a more cohesive presentation of the work. Submitting too many applications may overwhelm or confuse volunteer reviewers, which can negatively affect the agency’s outcome.

Limits on Maximum Awards

There is no formal limit to the award amount that an agency may request and be granted. However, two calculations are evaluated during the funding decision-making process and may affect the outcome of an agency’s request(s).

The first calculation is the requested amount for an individual program as a percentage of the program and/or agency’s total revenue. Considering this calculation helps reviewers understand the degree to which a diversity of revenue streams exists and consequently, the significance of United Way’s contribution. This informs the level of risk associated with the investment as well as the agency’s reliance on the funds.

The second calculation is the total amount across all requests by and/or awards to a single agency as a percentage of United Way’s total investment amount in the respective year. This calculation ensures that United Way uses donor dollars in a way that supports the entire community, including a diversity of organizations. Applications for collaborative proposals may be excluded from this calculation.

Grant Applicant Interviews

Interviews are sometimes used as a part of the review process. Agencies that are assigned interviews are highly recommended to schedule more than one person in case of any last-minute complications. Arriving late to an interview will jeopardize some or all of an agency’s allotted time, negatively impacting the scoring. If an agency does not show up for an interview, they will earn a zero for the interview score and may be disqualified. Exceptions will only be granted on a case-by-case basis when extenuating circumstances justify one.