

UNITE

MAY 2010

**COMMUNITY DEVELOPMENT DIVISION
INVESTMENT POLICIES AND PROCEDURES**

LIVE

United Way of
Tarrant County

United
Way





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INTRODUCTION AND OVERVIEW OF POLICIES & PROCEDURES

This edition of United Way's Community Impact and Investment Policies describes the way in which we make funding decisions and the methods we use to fund programs important to our community.

The reader will find information about our partnerships, expectations of funded programs, investment planning and criteria, and outcome measurement, as well as information about the annual campaign.

We hope you will find the document useful and practical and that you will not hesitate to contact our staff for more information.

History of the Organization

Established in 1922, the United Way of Tarrant County (UWTC) is a local, nonprofit, private corporation serving Tarrant County and the City of Burleson.

The Board of Directors is composed of community leaders serving on an unpaid basis who are responsible for setting the general direction of the organization, ensuring necessary resources, and engaging in issues in ways that will position United Way to be a leading voice for health and human services.

Standing committees of the Board include the Executive Committee, Community Development Committee, Audit and Finance Committee, Annual Campaign Committee, Strategic Planning Committee, Diversity Committee, and the Advisory Committee.

Mission Statement

To improve lives across our diverse communities by:

- Prioritizing needs in education, income and health
- Forming innovative and effective partnerships with other organizations
- Strategically raising and investing resources to make lasting change

Vision Statement

Tarrant County will be a place where children, individuals and families thrive, where neighbors care for each other and where people willingly share the responsibility of ensuring a safe and healthy community for all.

Core Values

United Way of Tarrant County is working to change conditions in the community so that people have the basic building blocks for a good life.

Achievement of this critical goal requires that everyone affiliated with the organization assumes responsibility for creating community change, for achieving organizational goals and for earning public trust through ethical conduct.

To fulfill this special obligation, the following five core values provide the foundation on which we base our actions and decisions.

UWTC is working to change conditions in the community so that people have the basic building blocks for a good life.

Integrity

We act with integrity. We maintain the highest standards of excellence and accountability, including prudent use of finances and fair, accurate and honest disclosure of information. We keep our promises.

Impact

We make a measurable impact with enduring results in our communities and in individual lives.

People can see evidence that UWTC is improving lives and building a stronger Tarrant County. We are committed to a United Way that is relevant and priority-driven in its allocation of resources.

Volunteerism

UWTC achieves community change through volunteer leadership. We believe that the most effective models of service and excellence are created through the leadership of residents who give freely their time, talent and treasure.

Diversity

UWTC values and seeks diversity by respecting the knowledge, abilities and experiences of all individuals. Our commitment is to support an inclusive environment reflecting our United Way communities and accomplishing our mission.

Leadership

We are advocates for positive social change. We help transform compassionate ideas into dynamic reality. Our vision is to build a stronger Tarrant County where people willingly share the responsibility of ensuring a safe and healthy community for all.





To do this, UWTC leverages resources to increase the capacity of our communities. We energize people to make a difference and bring all segments of the community together to promote individual well-being and the common good.

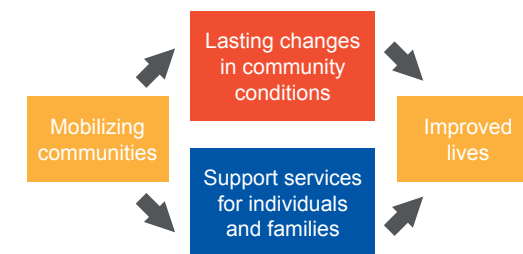
UWTC listens to donors, volunteers, nonprofit organizations, human service recipients and other stakeholders in order to be community focused. We develop community agendas to achieve measurable, recognizable results and build coalitions around these agendas.

Underlying these collaborations is a spirit of candor and mutual responsibility, appreciation for the experiences and expertise that our nonprofit partners bring to community renewal, and respect for the personal dignity and worth of every person.

Overview

United Ways have undergone an evolutionary process from being known as successful fund raisers and fund distributors to a higher calling of focusing on issues, strategies, and actions needed to improve lives and create lasting change in our communities.

More than ever, the methods of accountability of local nonprofits – including United Way – to donors, residents and beneficiaries of services have been the drivers of strategic direction. With this in mind, the United Way of Tarrant County began an important reorganization in 2002 after several years of study and planning.



Today, the United Way of Tarrant County is changing conditions in the community in two ways. First, we work to create lasting changes in community conditions by focusing on underlying causes of problems.

By conducting research and broad-based needs assessments to inform many constituencies about the nature and scope of community problems, we lay the foundation for getting results no one can accomplish alone.

Together, businesses, government, neighborhoods, faith groups, nonprofits, caring individuals and United Way focus on some of the most important issues facing Tarrant County.

We work to create lasting changes in community conditions by focusing on underlying causes of problems.

Using data to inform their decisions, United Way volunteers from all walks of life – in collaboration with United Way’s professional staff – narrow and focus their work on selected issues where we believe together we can make a difference over a defined period of time.

We then make investment plans that reflect reasonable projections about what it will take to “move the needle” in a given area. As measurable community change occurs and environmental factors change, the issues may change and investment decisions will be altered.

Second, we work to help individuals in need through organizations that provide core agency services. United Way supports dozens of vital services through our funded program partners.

These annual investments in well-managed agencies are designed to provide critical broad-ranging funding for a service infrastructure that United Way has been committed to for many years.

PARTNER ORGANIZATIONS

UWTC, in keeping with its mission to improve lives by forming innovative and effective partnerships, will identify and solicit the participation of the best potential partners to ensure positive community change is achieved. Partnership will be based on relationships that achieve a common goal through collective efforts.

Definitions

“Partnership” is a relationship between UWTC and an organization or group that provides resources – including people’s time, talents, goods and expertise – to accomplish a shared goal in the community.

A “community partner” is any organization or group that contributes resources and works with UWTC in a coordinated effort to achieve a shared community goal.

Community partners will play specific roles, which may include ...

- Impact partners are organizations utilizing a focused approach to bring about community change related to the priority issues identified by United Way. United Way provides funding to some impact partners.

“Partnership” is a relationship between UWTC and a group that provides resources to accomplish a shared goal in the community.

- Program partners are organizations offering essential core agency services that reinforce the health and human service system in Tarrant County. These are the organizations that receive funding from the annual campaign.
- Coalition partners are organizations that help United Way mobilize and work collaboratively with others to define priority issues, establish

desired outcomes, determine strategies, advocate and take action. United Way may raise funds on behalf of some coalitions and may choose to join coalitions organized by others.

- Corporate/sponsorship partners are organizations that invest in and help United Way leverage resources, build relationships and increase its visibility in the community.

Partnership Expectations and Responsibilities

The United Way and its partners have shared the responsibility for improving the quality of life in Tarrant County by making available efficient and effective services addressing important community needs.

While there are mutual obligations, United Way and its partners have specific expectations of each other that contribute to the success of the relationship.

Program Partner Agency Expectations

Program partner agencies can expect UWTC to:

- Define and assess priority issues.
- Conduct an annual campaign.
- Communicate openly and promote United Way’s relationship with agencies in a positive light.
- Award funding through an investment and program evaluation process to ensure maximum community benefit.

- Offer support beyond funding (for example, letters of support, public policy, advocacy, assistance with merger opportunities, board recruitment).
- Provide technical assistance with outcome measurement and other issues where appropriate.
- Convene potential collaborators.
- Participate in collaborative efforts convened and led by others where efforts coincide with the mission and the priority issues and strategies selected by UWTC.
- Keep an open dialogue with regard to the future direction of UWTC.
- Encourage high standards and promote greater efficiency in all agencies, individually and collectively.
- Assist in grant development.



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UWTC Expectations of Community Partners

UWTC expects community partners to:	All Partners	Impact Partners	Program Partners	Coalition Partners	Corporate/Sponsorship Partners
Support UWTC vision and mission.	✓				
Speak positively of their relationship with United Way.	✓				
Explain their affiliation with United Way.	✓				
Assist in the annual fundraising campaign.	✓				
Conduct annual United Way campaign.		✓	✓		
Comply with UWTC policies and procedures.		✓	✓	✓	
Use United Way logo on Web site and agency printed materials. Offer link to United Way Web site on agency Web page.		✓	✓	*	*
Be willing to participate in United Way speakers bureau.		✓	✓		
Maintain a responsible governing board.		✓	✓		
Keep accurate and complete financial and program records, and submit them to UWTC in a timely manner.		✓	✓		
Develop outcome plans and provide measurable results.		✓	✓		
Share responsibility for fund development in addition to annual campaign to sustain long-term impact efforts.		✓	✓		

* UWTC encourages coalition and corporate/sponsorship partners to use the United Way logo.



Engaging New Partners

To become a program partner, eligible agencies must be invited by the United Way Board of Directors. There is no formal application process, but potential program partners must be 501(c)(3) organizations and have received a minimum of two years of funding as impact partners.

United Way staff will inform the Community Development Cabinet of appropriate organizations meeting these criteria. The Cabinet may decide whether to recommend these organizations to the United Way Board as possible invitees.

With the approval of the Board, these organizations will be approached about their desire to go through United Way's partnership assistance process. The successful completion of partnership assistance may be followed by an invitation to partnership by the United Way Board.

Partnership Assistance Process

The partnership assistance process provides UWTC and partnering organizations an opportunity to examine all or selected aspects of agency operations based on (a) a recommendation from a Council(s), (b) a request from a community partner seeking advice on issues related to specific areas, or (c) the Community Development Cabinet's desire to accept new organizations to receive annual funding to advance UWTC's work in creating community change.

UWTC's partnership assistance process typically covers six general areas of agency operations with emphasis on governance, management, finance and program. The depth of the review is based on the issues that need to be examined and may be conducted internally by United Way volunteers and staff or by an outside consultant.

The process begins with a self-assessment that utilizes the McKinsey Capacity Assessment Grid. United Way staff and volunteers typically conduct a site visit to gather information about overall operations.

The end result is a document detailing findings, recommendations and a decision about partnership. In some cases, community partners participating in national accreditation processes may request that UWTC substitute their accreditation process if the scope of both inquiries is substantially the same.

A Memorandum of Understanding may be established in lieu of or in addition to the partnership assistance process – the result of which could be a recommendation to the United Way Board to terminate the future of the relationship.

Terminating Funding Relationships

Community partners may terminate their partnership with UWTC at any time by written resignation. The UWTC President and Executive Vice President/Chief Operating Officer will offer to meet with representatives of the community partner(s) to fully understand the resignation decision.

UWTC may terminate a partnership after carefully examining all programs, including core agency services and impact programs, to determine if continued funding is warranted.

UWTC has the discretion to end funding to programs that are addressing low priorities or become ineligible for funding due to poor performance. This may be accomplished in a time frame deemed prudent by the United Way Board.



INVESTMENT CRITERIA & PROCEDURES

Overview of Investment Criteria

The citizen review process continues to be the hallmark of United Way's decisions about program funding. Volunteers who are members of United Way's Councils form investment teams to formulate ground-level recommendations for funding.

These recommendations are based on an understanding of the investment plans of each Council and community partner's program outcome plans and results. Other factors include the need of the target population, collaborations with other organizations, cost-saving strategies, and diversity in all aspects of the organization, especially in program services.

Dollars available for investment are based on United Way's annual campaign production less donor designations for specific agencies, issues or other United Ways and an amount estimated for uncollectible pledges.

Outcome Measurement

UWTC is accountable to its donors to ensure contributions are used wisely, deliver results and produce maximum impact. To ensure accountability, UWTC directs funds strategically where they

will achieve the greatest results. For UWTC, this means placing greater focus on both program and community outcomes.

These two measurement systems assist United Way in measuring the impact that funded programs make on specific populations and in measuring the impact United Way is having in changing community conditions. All program and impact partners are required to measure, track and report on outcomes.

Program and impact partners receiving funding from United Way are required to submit outcome measurement data, including an outcome evaluation plan at the beginning of the grant period, specifying data collection and measurement methods, followed by outcome evaluation results at the end of the grant period. Quarterly updates may be required.

Outcome measurement is a major factor in investment decisions. UWTC will not expect outcome measurement to include experimental research designs, often involving control groups and other expensive methods, to prove that the program/impact initiative alone caused the outcome.

Outcomes	Changes sought in knowledge, attitudes, motivation, skills, behavior, condition, status, or other characteristics of a specific individual or group of individuals
Program outcomes	Changes that program activities intend to create in program participants
Community outcomes	Changes in a defined community population brought about by changing conditions in the community
Community impact	Changes that improve lives across our diverse communities by prioritizing needs in education, income and health
Community change	Change in policy, practice, resource allocation or other characteristic of a community system or institution, association, organization, network, neighborhood environment, or other community element



- **Impact Funding:** The primary vehicle for awarding funding to address priority issues, which are defined as issues of significant importance to the community, against which measurable community outcomes can be achieved, and around which United Way in partnership with others can apply energy, effort and resources to achieving results within a defined period of time.

Funding Methodology

UWTC's 2009-2012 strategic plan calls for rebalancing from 11% for impact and 89% for core agency services to 60% for impact and 40% for core agency services.

This shift will allow UWTC to invest in the three areas (education, income and health) where it believes it has the greatest potential and ability to make a difference.

Comprehensive plans, which include evidence-based strategies and measurable outcomes, have been developed for all three priority areas and will be the basis on which future funding will be awarded.

UWTC's 2009-2012 strategic plan calls for rebalancing to 60% for impact and 40% for core agency services.

Program funding for core agency services will be based on achievement of positive outcomes, need for service and the extent to which programs align with the broad areas of education, income and health. By July 2012, annual funding to program partners will be limited to a maximum of \$500,000 per agency for core agency services.

Investment Policy Changes

Beginning July 1, 2010, and ending June 30, 2012, UWTC will offer multi-year funding as part of a structured reallocation process. During the period of structured reallocations, funding will largely be systematic with attention given primarily to program performance monitored by staff.

For the fiscal year starting July 1, 2013, multi-year funding will continue for three-year periods following the years of structured reallocations, and at this time agencies will be able to request funding amounts for which they can justify the need.

In any given future multi-year cycle, some agency programs inevitably will not be funded. If this is the agency's only United Way funded program, the agency will remain on the pledge card marked as a "designations only" agency.

Zero-based investment/planning will allow a change from allocation of resources based largely on historical funding to investment of UWTC funds based on current needs and priorities.

Agencies classified as designation-only agencies must have been a program partner within the past three years. If a designations-only agency is not selected for funding in two consecutive cycles, partnership with these agencies will end at the beginning of the second cycle, and they will no longer appear on the pledge card.

In preparing for the fiscal year starting July 1, 2013, agencies must use zero-based investment/planning to justify requests for program funding.

Zero-based investment/planning will allow a change from allocation of resources based largely on historical funding to investment of UWTC funds based on current needs and priorities. During this cycle, agencies will begin submitting proposals for funding for a maximum of two programs.

Methods of Procurement

UWTC recognizes that it cannot use one single investment vehicle to achieve community change, but must use an array of methods to ensure maximum benefit and return on investment. Therefore, UWTC may use any one of the following methods to establish funding relationships with the most appropriate providers.

Annual Funding Application: Programs in which United Way wants to make a continuing investment (i.e., core agency service programs) are required to complete an online funding application.

Request for Proposal: Solicitation of competitive proposals from agencies and organizations to provide specific programs or services.



Procedures for Investing Resources

"Funding commitment" is the term UWTC uses to refer to the process by which monies are disbursed for a specific period of time. Program funding and impact funding are the primary mechanisms used to award funds to community partners.

UWTC's regional offices follow an established protocol to secure any funding needed for particular initiatives developed by their volunteers. This protocol is included in the appendices to this document.

- **Program Funding:** The means by which funds are awarded to core agency services. Core agency services are those programs operated by program partners that address issues the community deems essential for United Way to support. These are determined by United Way volunteer leadership based on the community assessment, knowledge of the service and need, history, and outcome performance.

Request for Application: Highly specified procurement method used only when there is one or a very small number of applicants.

(Please note that Requests for Proposals and Requests for Applications will be posted on the UWTC Web site.)

Full disclosure requires agencies to report all budget and beneficiary information regardless of whether some of the information pertains to programs not funded by United Way.

Direct Purchase of Service: Procurement method that provides flexibility and effective management of resources by reimbursing a provider for a defined number of services already rendered on a client-by-client basis.

Types of Funding Agreements

Performance-Based Grant (including funding commitments formerly called allocations and impact grants): Funding awarded and disbursed on a defined regular schedule based on a set of agreed-upon performance goals that should be met.

Contract: An agreement that outlines a transaction between two parties enforceable by law.

Vendor Agreement: A contract with a specific provider to obtain agreed-upon services for a specified period of time.

Annual Funding Application

Policies and procedures related to the annual funding application are for organizations that receive program funding for core agency services.

Annual funding applications are due to UWTC in February and must be submitted in accordance with guidelines outlined in the application.

All applications must be submitted electronically and include the following:

1. Fund Request Certification
2. Memorandum of Agreement
3. Organizational Information
4. Letter of Explanation
5. Financial Summary and Trend Data
6. Revenue and Expenses
7. Board Governance and Diversity
8. Beneficiary Information
9. Program Budgets
10. Program Results and Plans
11. Most Recent 990
12. Board Roster
13. Audit
14. Management Letter, if applicable
15. Response to Management Letter, if applicable

Annual Reporting Requirements (Applies to Program Partners)

Program partners applying for funding from UWTC are required to submit financial and program data by the designated deadline. Budget information submitted to United Way shall account for all income sources and expenditures of the operating budget as stipulated in UWTC's policies and procedures.

Full disclosure requires agencies to report all budget and beneficiary information regardless of whether some of the information pertains to programs not funded by United Way. It is essential for United Way to:

- Be fully aware of all agency programs.
- Be able to communicate, to the public and private sector, programs provided in a particular investment area.
- Be fully aware of agency finances and support given to it by its associated

corporations (auxiliaries, agency foundation, etc).

- Understand the basis and percentage of United Way support to the agency's total operating budget.

Agencies must submit a balanced budget, an Annual Audit and Management Letter and Beneficiary Reports.

Agencies must submit:

1. A balanced budget with programs and evaluation reports to UWTC by specified dates, on forms provided.
2. An Annual Audit and Management Letter (if issued) prepared by a certified public accountant is to be submitted by each agency. The audit should be submitted to United Way within six months of the end of the agency's fiscal year. If a management letter was not issued, the agency should state so.
3. Beneficiary Reports, due in February with the fund application, cover the previous calendar year. Beneficiary Reports must be accurate and complete. Beneficiary data indicates whether certain geographic areas or demographic groups need additional, or more focused, attention. These annual reports represent an ongoing system of data collection, analysis and utilization, which is necessary for:
 - a. Accountability to donors, clients, volunteers, agencies and the community
 - b. Development of a campaign case, based on beneficiary statistics and representing actual clients being served
 - c. Fulfillment of United Way's stewardship role



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4. **Service Classification:** Program partners shall report the unduplicated number and the units of service delivered as specified for each service in the United Way Classification of Services.

Program partners receiving annual program funding must adhere to the following:

- Program partners should maintain books, accounts and records in accordance with the Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations, published by the National Health Council and National Assembly of Health and Human Service Organizations.
- Beginning in 2007, July 1 through June 30 is the fiscal reporting period used for funding, budgeting, and financial and program reporting to United Way.
- Program partners are required to use the e-CImpact online system to submit budget, program and beneficiary information.

Revenue

Each program partner is expected to obtain and utilize, to the fullest extent, all possible

operating revenue that might be secured through the agency's programs and activities.

July 1 through June 30 is the fiscal reporting period used for funding, budgeting, and financial and program reporting to United Way.

Income from Fees: Unless prohibited by law, program partners shall establish a fee scale policy for the full service cost to those who can afford to pay and a sliding scale that does not deny service because of inability to pay. United Way encourages agencies to secure full unit cost service reimbursement from third-party purchasers.

Investment Income: Generally, all investment income (interest and dividends) is considered unrestricted income in the year earned (unless restricted by donor or by law).

Foundation and Government Income: Program partners are encouraged to seek financial support from foundations, federal, state and other governmental bodies.

Investment Process Timeline

February	Budget applications are due to United Way.
May	Funding applications will be reviewed by United Way volunteers and staff.
May/June	Funding recommendations will be determined.
June	Funding recommendations will be presented to Education, Income and Health Councils.
June	Councils present recommendations to Community Development Division Cabinet.
June	Community Development Division Cabinet presents recommendations to United Way Board of Directors.
July	Program partners are notified of funding commitment.
Fiscal Year	July 1 through June 30
June – December	Annual site visits are conducted.

Business Enterprises: Program partners operating a business enterprise should have regular reviews by the agency's board to prevent jeopardizing tax-exempt status, assure it is meeting a community need, and produce reasonable operating profit that supports the programs of the agency.

Operating Reserves: United Way recognizes that operating reserves are an integral part of a prudent business plan. Staff and members of the investment team will examine the reserve level during the annual budget process.

Endowment Funds: Program partners' audits should reflect endowment income, and their budgets should show the use of earnings from endowments.

Use of Capital or Special Funds as Operating Income: United Way will not commit itself to future funding increases to replace the use of capital or special funds used to balance a budget.

Expenditures

Program partners are expected to prepare a realistic and balanced budget. All items should be allocated among various agency programs in a logical, supportable manner.

United Way Funding Commitment: United Way funding commitments are for operating purposes and may not be used for fixed assets, capital expenditures or operating reserves.

Interest Expense: Interest on indebtedness may not be offset against United Way funds.

Mortgage Payments: Principal and interest payments on mortgages are legitimate operating expenses, if they are equivalent to competitive rental rates. Payments of amounts greater than competitive rental rates should be offset by special purpose income included in the operating budget and not charged to United Way funds.

Depreciation: Depreciation is not funded by United Way and should not be reflected in annual operating budgets submitted to United Way.

Non-Tarrant County Services: Programs and services outside of the UWTC service area will not be funded by United Way.

Volunteer Expenses: Travel expenses for volunteers will not be funded by United Way.

Dues to Affiliates: A portion of dues to state and national affiliates may be included in the United Way portion of the annual operating budget, subject to review and approval by Council volunteers. However, the agency must demonstrate that dues paid provide a comparable benefit to Tarrant County residents. Examples of services include direct service, research, public education and assistance in obtaining state and federal funds. Documentation should include need for service, local staff, volunteer



support, and training for local staff and volunteers.

Program partners may submit requests seeking funding for new programs for the fiscal year starting July 1, 2013.

Failure to Submit Required Information

Extensions on submitting the annual fund application are typically not granted. If, for any reason, information requested by UWTC cannot be submitted by the specified deadline, program partners are to notify their United Way staff liaison.

Monthly funding disbursements may be withheld if information is submitted late without notification, is inadequate or incomplete, or if the program partner continually fails to meet deadlines.

Program Alignment and Funding Transfers

As UWTC aligns its activities and resources to achieve greater impact, program partners have the opportunity and are encouraged to align their programs to support United Way's impact agenda.

Program partners receiving annual program funding may request to shift dollars from one United Way core agency service to another in order to reduce the number of funded programs to two by July 2013. Program partners may submit requests seeking funding for new programs for the fiscal year starting July 1, 2013.

Procedure:

1. Notification to transfer program funding should be submitted to United Way by December 1.
2. Prior to transferring funding, program partners must contact their UWTC staff liaison to discuss the proposed transfer. If the transfer involves more than one Council, all appropriate staff will take part in the discussion.
3. Program partners will provide the following information to UWTC prior to the meeting:
 - a) A brief description of the program to which funds will be transferred, including proposed program objectives, performance standards and outcomes.

- b) An explanation of how the program(s) losing funding will be impacted.
- c) Preliminary budget, which shows requested funding, how United Way funds will be used and other revenue sources.
- d) Number of people served as a result of the transfer.

4. Staff will inform Council volunteers of the request to transfer funding. The determination to allow funds to be transferred will be left to the discretion of volunteers.
5. Program partners will be notified in writing of United Way's decision regarding the transfer request.

Memorandum of Agreement with Program Partners

To ensure understanding and cooperation between UWTC and funded program partners, a Memorandum of Agreement is to be signed annually by an authorized representative of the program partner. A copy of the Memorandum of Agreement can be found in Appendix A.

Payment of Funding Commitment

Funding commitments made to organizations receiving performance-based grants will be paid out in 1/12 monthly allotments. Payment amounts and schedules for other methods of funding may be negotiated between UWTC and the program partner.

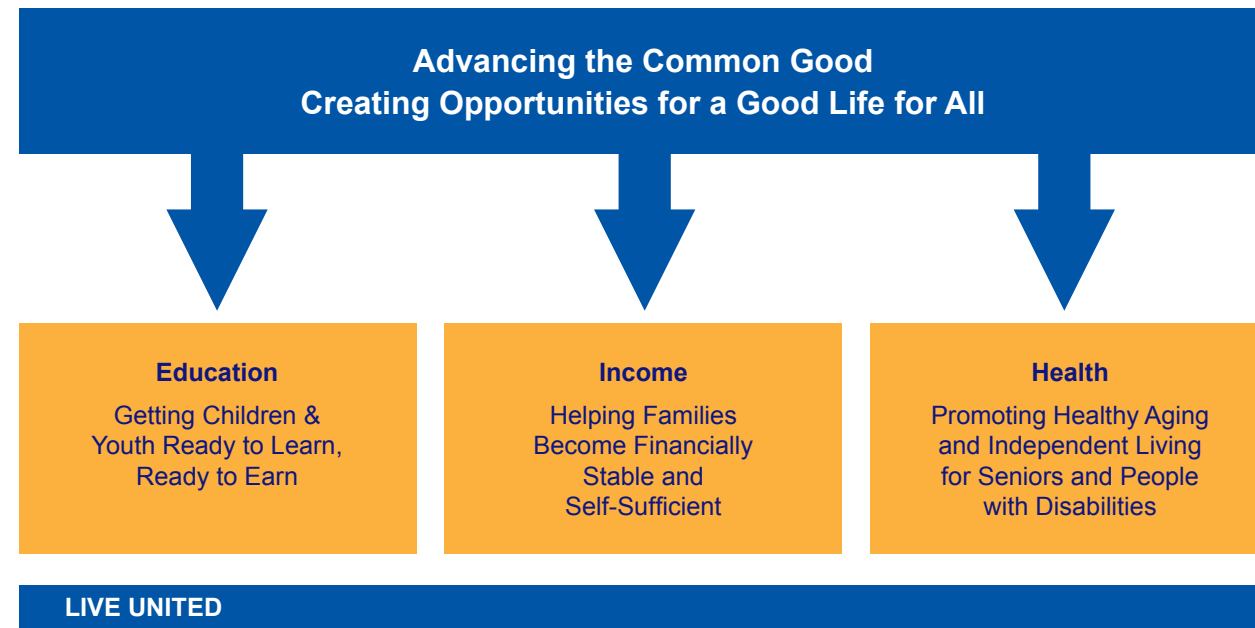
Funding Commitment Disclaimer

Funding available for distribution by United Way of Tarrant County is contingent each year upon the success of the annual campaign.

Funding commitments made to organizations receiving performance-based grants will be paid out in 1/12 monthly allotments.

Funding commitments made to program partners are contingent upon a periodic review in which sufficient progress toward outcomes and performance standards is evident. Partners must also be in compliance with United Way's policies, procedures and expectations, as specified in this manual.

What United Way Does



Annual Site Visits

Annual site visits/conferences are offered to program partners on a voluntary basis. The purpose of these visits is to gain greater understanding of changes taking place at United Way and changes the agencies are facing. United Way volunteers are invited to join United Way staff during site visits. Their attendance is encouraged, but not mandatory.

Impact Investments

Each of United Way's Councils will operate using multi-year investment plans based on the objectives it wants to achieve.

With several considerations in mind and focusing on the selected impact issue it intends to hold itself accountable for, United Way will determine what percentage of available funds it would like to invest in each of three priority areas with a focus on allowing up to 60 percent of available funds to be awarded to impact initiatives and 40 percent to core agency services.

United Way's Framework for Change

Through a competitive Request for Proposal process, UWTC will identify community partners to assist in achieving bold goals in the areas of education, income and health. Those goals are as follows:

- **Learn Well: The Education Initiative** – 20% more on-time graduations at United Way selected schools.

- **Earn Well: The Financial Stability Initiative** – 9% (16,000) more low-income, working families will become financially stable.
- **Live Well: The Healthy and Independent Living Initiative** – 5% (10,850) more older adults with chronic disease will be living at home.

Grants will be awarded on an annual basis, but UWTC will commit funds for three years in the areas of income and health, and will commit funds for 10 years in the area of education.

Policies for Impact Proposals

The policies outlined in this section relate to community impact initiatives.

In order to carry out its community impact agenda, United Way will entertain proposals solicited from community partners that bring expertise, experience or resources to bear on the priority issues of education, income and health.

Types of organizations from which United Way may solicit proposals include, but are not limited to, the following:

- Community partners
- Other nonprofit health and human service organizations
- Collaborations

- Universities and community colleges, including schools of social work, urban planning, public health, medicine, etc.
- Government agencies, including federal, state, county, city or regional organizations (such as the Council of Governments)
- Neighborhood associations
- School districts
- Health care entities, including hospital districts, hospitals, clinics, private practitioners, medical societies and associations
- Faith-based organizations, such as churches, synagogues, mosques or associations of these organizations
- Private firms, consultants or contractors (such as a medical practitioner, Web site designer or marketing firm)

- Corporations

The Councils have the flexibility to use various types of agreements, payment methodologies and procurement procedures.

Procurement methods may include, but are not limited to, the following:

- a competitive bidding process, for which the Council issues a Request for Proposal (RFP), specifying type of service or specific outcome desired
- a highly specified procurement method, for which the Council issues a Request for Application (RFA) that requires a provider with unique skills or experiences
- a direct purchase of service on a client-by-client basis



Types of agreements may include, but are not limited to:

- grants
- contracts
- vendor agreements

Payment methodologies may include, but are not limited to:

- outcome-based grant award paid on a set schedule
- cost reimbursement
- performance-based unit rate grants/contracts

In a Request for Proposal process, United Way reserves the right to select one or more proposals for funding or to select no proposals.

Impact Grant Reporting Requirements

Impact partners will be required to show how the proposed strategy relates to a community outcome detailed in logic models developed by United Way's Strategic Design Groups.

In addition, impact partners are required to submit program and financial progress reports to the Council staff on a specified schedule, addressing progress toward the outcomes proposed.

Impact Grant Renewal Process

All grants are for one-year periods. If the grant is available in subsequent years, future funding will depend on the availability of funds and results achieved.

Funding Disclaimer

Funding available for distribution by United Way of Tarrant County is contingent each year upon the success of the annual campaign.

Funding commitments to impact partners are contingent upon a periodic review in which progress toward outcomes and performance standards is evident, as is compliance with United Way's policies, procedures and expectations, as specified in this manual.

LIVE UNITED



IV. OTHER POLICIES & PROCEDURES

Campaign Promotional Guidelines

Community partners supporting the annual campaign by participating in speaking engagements are expected to:

- Cover the two-tiered approach of the core agency services and impact initiatives.
- Talk about their work, but not request individual agency designated gifts.
- Promote the United Way Community Fund.

Supplemental Fundraising

UWTC recognizes the need for each community partner to increase self-support throughout the year. All supplemental fundraising must meet the highest ethical and generally accepted community standards. There are no "blackout" periods restricting supplemental fundraising during the campaign.

Donor Choice Policies

Donors to United Way are offered a number of choices for the distribution of their contributions. First, and most desirable from the United Way perspective, is a contribution to the Community Fund. Contributions made to this option are used to cover the widest number of investments by the citizen review process.

Community partners are asked not to promote or seek designations for their organization while participating in the annual fund drive.

Also possible are contributions to one of three areas of service: education, income and health. And finally, contributions are possible to one of United Way's program partners whose programs we support.

Donor Designation Policy Violation

UWTC's goal is to conduct a single, community-wide campaign that generates funds to support direct service programs and to mobilize Tarrant County to create lasting change in community conditions.

Community partners are asked not to promote or seek designations for their organization while participating in the annual fund drive. Violations to the donor designation policy will be examined on a case-by-case basis. Confirmed violations could result in a reduction of funding or termination of partnership.

Capital Campaign Guidelines

United Way does not provide for the capital needs of our program partners whose programs we support. Capital campaigns are defined as the fund solicitation for new buildings, major renovations in building designs, major equipment purchases and debt payment.

Because we understand the need for such campaigns and because we want to be helpful to the extent possible in ensuring their effectiveness, United Way requests that program partners provide a letter describing the nature and scope of projected capital campaigns.

Community Assessment

Periodically, United Way assesses needs in our community through a variety of research methods that include surveys of residents or other knowledgeable individuals, focus groups, and the tracking of demographic and other trends.

This information is used in identifying the most critical areas for attention. These critical areas may become investment priorities for United Way. United Way actively seeks partnerships with other organizations both to support these research efforts and to build strategic alliances to create needed solutions.

Appendix A

Memorandum of Agreement with Partner Organizations

This Memorandum of Agreement defines the responsibilities of United Way of Tarrant County and the organizations it funds.

A. United Way agrees:

1. To conduct an annual community-wide fundraising campaign designed to reach the highest level of potential giving in order to best address health and human services needs of our community for the next fiscal year.
2. To provide consultation and assistance for the organization in the furtherance of its goals.
3. To assist the organization in making its programs and services known to the community and to support and promote the organization financially and otherwise for the betterment of the community.
4. To distribute designations with distribution determined by current policy.

B. The funded organizations agree:

1. To maintain responsible management with a local administrative body such as a Board of Directors, a Board of Trustees, or a Management or Advisory Committee, comprised entirely of unpaid volunteers actively involved in the governance of the organization.
2. To keep complete and accurate books and records showing all organization financial transactions.
3. To furnish annually, comparative financial statements prepared in accordance with generally accepted accounting principles, and examined by a certified public accountant in accordance with generally accepted auditing standards within eight

months of the close of the organization's fiscal year.

4. To submit a balanced budget using a zero-based investment/planning process with programs and evaluation reports to United Way by specified dates (on forms provided) and supply other information and service reports as requested with a funding request for the next fiscal year.
5. To file annually, in accordance with IRS rules and regulations, Form 990 by the due date with no more than one extension.
6. To demonstrate program expenses of no less than 75% of total expenses as reported in the organization's Form 990.
7. To identify itself consistently as a funded organization of the annual United Way campaign. This shall include the display of United Way campaign or United Way insignia on the organization property, offices, stationery, publications and all other communications, and through positive cooperation during the annual fundraising campaign.
8. Not to solicit designations during the United Way campaign, particularly while campaigning for United Way.
9. To accept the principles and comply with the procedures as described in the Investment Policies and Procedures of United Way of Tarrant County.
10. To report any legal, financial or organizational matters or major changes in programs/budgets that may impact the organization's ability to operate and/or deliver services.
11. To conduct organization programs and affairs without regard to race, color, religion, national origin, sex, sexual orientation, age, disability or veteran status.
12. To run a United Way campaign.



Appendix B

Regional Process Management Procedures

The flow chart on the opposite page provides direction to the Regional Offices for the management of impact or special projects in Arlington or Northeast Tarrant County. Community Development Division, Council, and Resource Development participation are addressed in the project development phase. Guidance for management of the project is provided in the project implementation phase. Community Development Division Policies for Impact Proposals apply.

The first row of the flow chart applies if the project under discussion is initiated by a Council but located physically in one of the two regional jurisdictions. The Regional Office plays a liaison role rather than an administrative role in such a project.

The second row applies if a Regional Office is considering an impact project for which it would seek Council funding. The Regional Director would oversee the project facilitator's work once the project idea has been approved and funded and a facilitator acquired through an appropriate process (e.g., an RFA).

The third row applies if a Regional Office is considering a project for which it would seek funding outside United Way (e.g., through special asks to local foundations or local faith-based groups). The Regional Director receives project and budget reports from the project manager and shares those with funders as appropriate.



PROJECT DEVELOPMENT	PROJECT IMPLEMENTATION				
	Oversight By	Project Reports To	Budget Reports To	Media Inquiries Handled By	Interaction with Finance Handled By
<p>Council initiated</p> <p>Impact Investment funds</p> <p>Discussions with Executive Vice President/ Chief Operating Officer and Council Manager to determine alignment with Council's strategies. Follow established review and approval process.</p>	Council Manager with oversight and feedback from the Impact Council	<p>Council Manager with cc to Regional Office</p> <p>Regional Director is informed of changes or developing issues</p>	Council Manager and Council members	United Way Marketing with input from Executive Vice President/Chief Operating Officer, Council Manager and Regional Director, as appropriate	Council Manager with cc to Executive Vice President/Chief Operating Officer
<p>Regional Office initiated</p> <p>Impact Investment funds</p> <p>Discussions with Executive Vice President/ Chief Operating Officer, V.P. for Community Development and Council Manager to determine alignment with Council's strategies. Follow established review and approval process.</p>	Regional Director	Regional Director with cc to appropriate Council Manager	Regional Director with cc to Council Manager	Regional Director after contact with United Way Marketing, who may direct reporter to county focus (Executive Vice President/Chief Operating Officer, Council Manager)	Regional Director with cc to Executive Vice President/Chief Operating Officer, V.P. for Community Development and Council Manager
<p>Regional Office initiated</p> <p>Non-United Way funds</p> <p>Discussions with Executive Vice President/ Chief Operating Officer, Director Major Gifts/ Leadership Giving (Resource Development Grant Writer), V.P. for Community Development and Council Managers to determine alignment with Regional Office or Council's strategies. Follow established review and approval process.</p>	Regional Director	Funding source with cc to V.P. for Community Development and appropriate Council Manager if an impact issue	Funding source with cc to V.P. for Community Development	Regional Director after contact with United Way Marketing, who may want to direct reporter to county focus (Executive Vice President/ Chief Operating Officer, Council Manager)	Regional Director with cc to Executive Vice President/Chief Operating Officer, V.P. for Community Development and Council Manager

Model 1 Early Learning

Education Strategic Design Team Plan: Getting Children and Youth Ready to Learn, Ready to Earn

LONG-TERM OUTCOME

SHORT/MEDIUM-TERM MEASURES OF SUCCESS

OUTPUTS

ACTIVITIES

STRATEGIES

PRINCIPLES

VISION
Low-income children in targeted areas of Tarrant County are prepared when they enter school and graduate on time.

MISSION
To provide a continuum of support that ensures children ages birth through 13 are prepared when they enter school, are reading proficiently by third grade, are successful in middle school and prepared to transition to high school with the goal of graduating on time.

CORE VALUES

- The early years of a child's life are critical for optimal development.
- Students graduate from high school ready for college or career success.
- Research-based strategies are important for success.

- Talking and reading to young children helps prepare them for later success in reading.
- Learning for children and youth is optimized if program interventions occur early and over a multi-year period.
- Children learn to read in the first two grades and then read to learn after that time.
- Achievement by third grade reflects what happens to children between birth and third grade and predicts what may happen next.
- Children and youth must see the connection between what they are learning and what they aspire to become in life.
- Children and youth need multiple opportunities and diverse paths to acquire academic, vocational and social skills needed for success.

Encourage meaningful parent engagement as active partners in their children's learning.

Improve academic performance and engagement to prepare children for a successful school experience.

Foster collaborative systems that support children's continuous developmental progress and later academic success.

- Engage parents in programs that teach about school readiness and early childhood development.
- Educate parents on the importance of developmental screenings and assessments.
- Educate parents on the importance of reading to their children at an early age.
- Provide materials that parents can use at home to prepare children for school.

- Conduct pre and post assessments of children.
- Provide behavioral health screenings.
- Conduct comprehensive developmental screenings.

- Provide professional development opportunities to child care providers.
- Offer CDA scholarship assistance.
- Offer mentoring for caregivers.
- Coordinate efforts to achieve school readiness.
- Regularly convene providers to share information and ideas.

- Education classes for school readiness and developmental screenings
- School readiness materials

- Children annually assessed
- Behavioral screenings
- Developmental screenings

- Providers participating in professional development classes
- Staff working toward CDA
- Mentoring hours
- Networking meetings

Parents actively support academic success

- % of parents attending early childhood education events
- Parents' knowledge of the importance of early screenings
- # of parents/caregivers who report they read to their children daily

Children are ready to begin kindergarten

- % of children demonstrating appropriate literacy, social, emotional and cognitive skills at kindergarten entry
- % of children receiving on-time immunizations
- % of children receiving comprehensive developmental screenings and follow-up treatment

Caregivers, providers and teachers improve skills that facilitate academic success

- % of child care teachers who have the skills and materials to support the development of age-appropriate developmental skills
- % of child care providers with CDA credentials

More low-income children (birth to age 5) in select areas of Tarrant County have the appropriate literacy, social, emotional and cognitive skills at kindergarten entry.

Model 2 Reading Proficiency

Education Strategic Design Team Plan: Getting Children and Youth Ready to Learn, Ready to Earn

LONG-TERM OUTCOME

SHORT/MEDIUM-TERM MEASURES OF SUCCESS

OUTPUTS

ACTIVITIES

STRATEGIES

PRINCIPLES

VISION
Low-income children in targeted areas of Tarrant County are prepared when they enter school and graduate on time.

MISSION
To provide a continuum of support that ensures children ages birth through 13 are prepared when they enter school, are reading proficiently by third grade, are successful in middle school and prepared to transition to high school with the goal of graduating on time.

CORE VALUES

- The early years of a child's life are critical for optimal development.
- Students graduate from high school ready for college or career success.
- Research-based strategies are important for success.

- Talking and reading to young children helps prepare them for later success in reading.
- Learning for children and youth is optimized if program interventions occur early and over a multi-year period.
- Children learn to read in the first two grades and then read to learn after that time.
- Achievement by third grade reflects what happens to children between birth and third grade and predicts what may happen next.
- Children and youth must see the connection between what they are learning and what they aspire to become in life.
- Children and youth need multiple opportunities and diverse paths to acquire academic, vocational and social skills needed for success.

Encourage meaningful parent engagement as active partners in their children's learning.

Improve academic performance and engagement to prepare children for a successful school experience.

Foster collaborative systems that support children's continuous developmental progress and later academic success.

- Educate parents on the importance of early literacy and reading to their children.
- Connect parents with family literacy resources.
- Help parents develop print-rich home environments.

- Identify students struggling in reading and provide support.
- Track and monitor reading grades.
- Provide tutoring.
- Identify students with vision problems that impact school performance.
- Link families to comprehensive vision screening programs and assistance with follow-up care.

- Provide research-based reading instructional materials.
- Coordinate efforts to achieve reading proficiency.
- Regularly convene providers to share information and ideas.

- Parents participating in family literacy programs or events
- Parents using community or school libraries

- Students participating in enrichment reading opportunities
- Tutoring sessions
- Vision screenings
- Eyeglasses provided

- Reading materials distributed to students
- Networking meetings

Parents actively support academic success

- % of parents who understand the importance of early literacy and reading
- % of parents participating in family literacy programs

Children are reading proficiently

- % of students showing gains in reading proficiency
- % of students receiving vision screenings and follow-up care

Caregivers, providers and teachers improve skills that facilitate academic success

- % of teachers utilizing reading enrichment opportunities

More low-income elementary school students (grades K-5) in select areas of Tarrant County are reading proficiently in third grade.

VISION
Low-income children in targeted areas of Tarrant County are prepared when they enter school and graduate on time.

MISSION
To provide a continuum of support that ensures children ages birth through 13 are prepared when they enter school, are reading proficiently by third grade, are successful in middle school and prepared to transition to high school with the goal of graduating on time.

CORE VALUES

- The early years of a child's life are critical for optimal development.
- Students graduate from high school ready for college or career success.
- Research-based strategies are important for success.

- Talking and reading to young children helps prepare them for later success in reading.
- Learning for children and youth is optimized if program interventions occur early and over a multi-year period.
- Children learn to read in the first two grades and then read to learn after that time.
- Achievement by third grade reflects what happens to children between birth and third grade and predicts what may happen next.
- Children and youth must see the connection between what they are learning and what they aspire to become in life.
- Children and youth need multiple opportunities and diverse paths to acquire academic, vocational and social skills needed for success.

Encourage meaningful parent engagement as active partners in their children's learning.

Improve academic performance and engagement to prepare children for a successful school experience.

Foster collaborative systems that support children's continuous developmental progress and later academic success.

- Educate parents on how to maneuver the school system and advocate for their children.
- Offer career and vocational planning for parents and students.
- Promote parent/teacher relationship building.

- Early warning system to detect students at risk of dropping out and implement early interventions to prevent truancy.
- Track and monitor grades.
- Offer comprehensive support system that connects students to needed help.
- Provide tutoring.
- Promote mentoring.
- Track and monitor attendance.
- Provide career/vocational guidance and support.
- Facilitate service learning.
- Provide opportunities for involvement in extracurricular activities.
- Provide opportunities to access pre-AP classes.
- Provide behavioral health screenings.

- Coordinate efforts to achieve middle school success.
- Regularly convene providers to share information and ideas.

- Education sessions
- Parents participating in school activities
- Career and vocational planning sessions

- Grades passed
- Services and referrals provided
- Tutoring sessions
- Mentors recruited
- Days in attendance
- Career guidance sessions attended by students
- Hours of service learning
- Extracurricular activities accessed by students
- Pre-AP classes accessed by students
- Grade-to-grade advancement

- Partners that coordinate services
- Networking meetings

Parents actively support academic success

- % of parents who understand how to advocate for their children
- % of parents participating in school activities
- % of parents involved in career and vocational planning for their children

Youth are prepared to transition to high school and graduate on time

- % of students proficient in English
- % of students proficient in math
- % of students with less than ___ days absent
- % of students receiving career and vocational guidance
- % of children performing service learning hours
- % of students participating in extracurricular activities
- % of students participating in pre-AP classes
- Grade-to-grade advancement

Caregivers, providers and teachers increase collaboration

- # of networking opportunities for providers
- Diverse range of partners

More low-income middle school students (grades 6-8) in select areas of Tarrant County are successful in middle school and prepared to transition to high school with the goal of graduating on time.

VISION
All Tarrant County families are financially stable.

MISSION
Increase the number of low-income working families who are financially stable.

CORE VALUES

- A strong family is financially stable.
- Educated employees are critical for a strong workforce.
- The scope of the problem is bigger than any one organization.
- A good income is the strongest means to exit poverty.
- A strong workforce means a strong economy.

- Many target families are not aware that they are eligible for public benefits.
- Many target families use nontraditional financial services at a high cost.
- Many target families do not use budgets.
- Low credit scores raise other interest rates.
- Often families consider free services as inferior.
- Accessing public benefits for working families is often very difficult.
- Many low-income employees lack the skills or knowledge for current jobs.
- Many Tarrant County employers cannot fill high-skilled jobs.
- Many low-income workers are in survival jobs instead of career jobs.

Increase income supports for working families.

Provide supports to help individuals retain employment and advance in their careers.

Improve products and systems that enable low-income working families to become financially literate.

- Expand the hours and days of operations of 8 VITA sites.
- Establish 2 Super Sites with benefit assessment and financial education services.
- Promote free tax return check cashing.
- Engage employers to support benefits.

- Place navigators with strategic community partners.
- Establish on-site career path education classes in select industries.
- Create system to bridge into post-secondary training.
- Establish worksite ESL/ABE classes.

- Expand financial literacy/education.
- Teach credit building.
- Evaluate families' behavior change using a common Financial Capability tool.
- Train key CBO/fair-based staff in financial literacy.
- Pilot Bank the Unbanked.

- # of old and new families applying for EITC returns
- # of programs that bundle services
- # of multiple access points for income programs

- # of businesses engaged in financial education and/or income support efforts
- # of on-site business ESL/ABE classes
- # of on-site career education programs for specific industries

- # of slots/classes
- # of agencies using common evaluation tool
- # of CBO/FB staff trained
- # of new bank accounts

Low-income working families increase income supports through VITA sites.

- # of new and old families receiving EITC returns
- # of new and old families obtaining employee and public benefits at selected sites

Low-wage workers obtain better-paying jobs.

- # of new opportunities created for low-wage workers to obtain better-paying jobs and careers

Low-income workers complete workplace and post-secondary education programs.

- # of workers completing post-secondary education
- # of workers engaged in on-site education programs

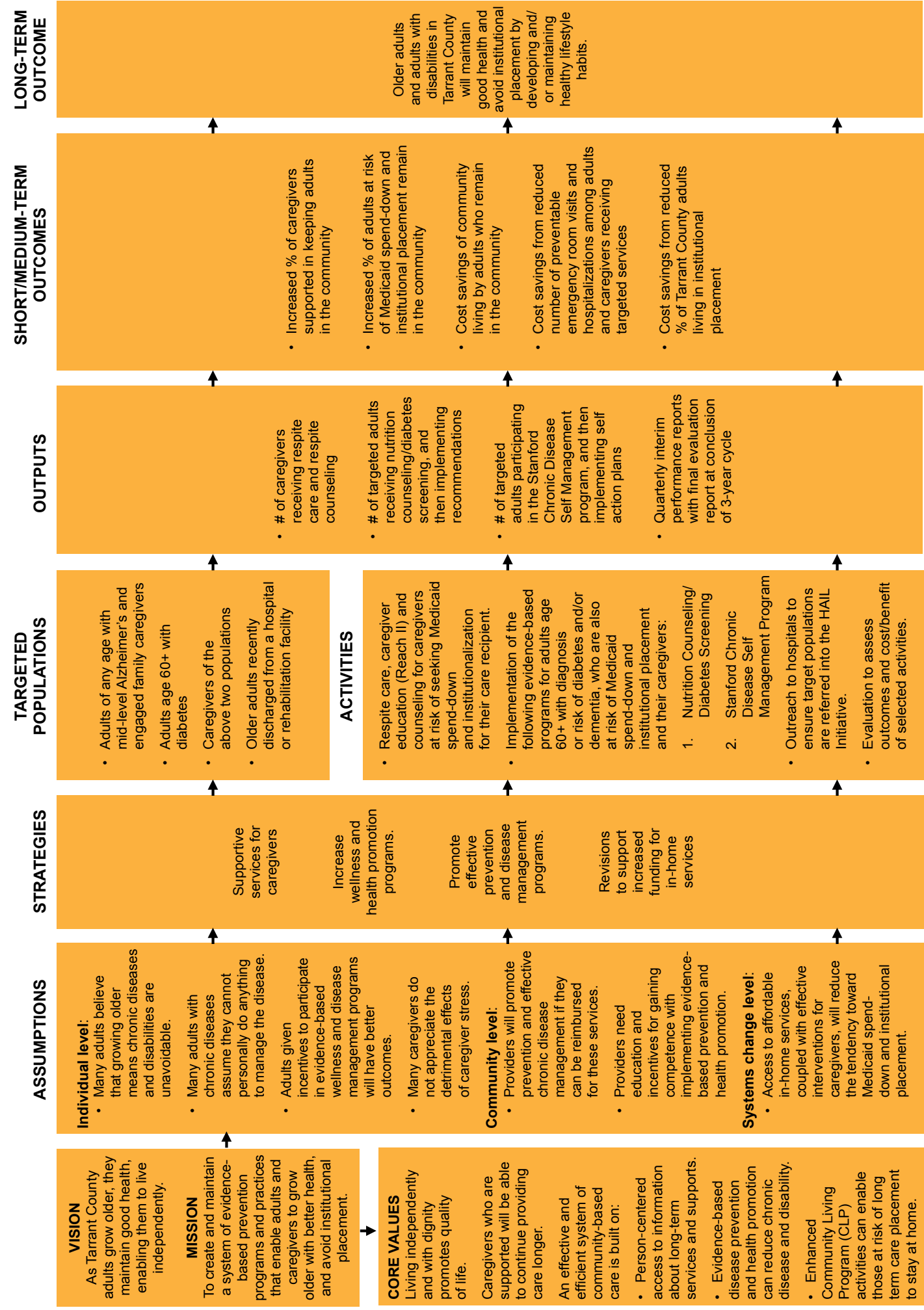
Low-income working families use mainstream banking.

- # of new savings accounts
- # of families with improved credit practices

System Outcomes:

- Agencies and programs provide integrated financial services.
- New opportunities for low-wage workers to retrain or advance in their jobs are created through business/education partnerships.

Low-income working families in Tarrant County are financially stable and have assets to avoid financial crisis.



LIVE UNLIMITED

Appendix D
Strategic Plan Transition Timeline

Fiscal Year Quarter	2009-2010			2010-2011			2011-2012			2012-2013			2013-2014			
	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun
Recommendations																
A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
B		✓														
C			✓													
D					✓											
E				✓												
F					✓								✓			
G					✓											

* 2009-2010 is the only year agencies will have both a site visit and conference. In subsequent years, agencies can alternate these meetings as long as a minimum of two site visits are conducted during a 3-year cycle.

Fiscal Year Quarter	2009-2010			2010-2011			2011-2012			2012-2013			2013-2014			
	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun	Jul- Sept	Oct- Dec	Jan- Mar	Apr- Jun
Recommendations																
H					✓											
I						✓										
J															✓	
K															✓	
L	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
M														✓		
N																✓

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