

United Way Eligibility Criteria

In order to be eligible to apply for United Way funding, an organization must:

1. Provide health or human service program(s).
2. Have been granted 501(c)3 status by the IRS.
3. Provide services residents of one or more of the Kansas City area counties served by United Ways in Greater Kansas City: Cass, Clay, Jackson, Platte in Missouri; Johnson and Wyandotte in Kansas.
4. Engage all levels of the organization (staff leadership, program staff and board of directors) in a system for measuring program outcomes and use the results for program planning.
5. Demonstrate the capacity and willingness to meet funding requirements of United Way agencies, including, but not limited to:
 - Compliance with United Way Agency Standards that address an agency's organizational and operational accountability;
 - Management, program, and financial reporting;
 - United Way policies and procedure, including fundraising restrictions, conducting a United Way employee giving campaign, and use of United Way logo on agency materials.

Agencies that meet the minimum eligibility requirements must demonstrate compliance with the standards listed below in order to apply for United Way funding. Exemptions to the standards will not be made for a regionally funded agency. Exemptions will only be granted by local United Ways and at their discretion. Generally, exemptions will be granted to agencies that:

- have a small budget;
- are volunteer-run, with no full-time staff;
- have a representative, broad-based volunteer board of directors;
- receive no more than \$5,000 from United Way Community Care funds;
- serve only one part of the metropolitan area.

United Way Agency Standards

1. The agency is incorporated as a nonprofit corporation in either the State of Missouri or Kansas (except in the case of a local chapter whose national organization is incorporated in another state) and submits an annual corporate report.
How standard will be verified: agency submits copy of incorporation document and copy of corporate annual report.
2. The agency has nonprofit, IRS Section 501(c)3 status.
How standard will be verified: agency submits copy of 501(c)3 letter.
3. The organization has bylaws that formally state the agency's purpose and which govern the agency's operation.
How standard will be verified: agency submits copy of agency bylaws.

4. The agency has a volunteer board of directors, or other governing/advisory body, which reflects the community and/or its constituents, and is responsible for policy setting, fiscal guidance, planning and ongoing governance.
If the agency's governing body is national, a local advisory board or equivalent body assists the board of directors in fulfilling its oversight role, particularly as it pertains to the agency's local services and finances.
How standard will be verified: agency submits copy of board roster and report of board meeting attendance over last twelve months.
5. The agency is in compliance with all Federal, State and local rules, regulations and codes and all applicable licensing requirements governing its operation. This policy includes, but is not limited to, tax filings (including submission of the IRS Form 990), employment law, and health and safety regulations.
How standard will be verified: agency attests to compliance and submits copy of IRS Form 990.
6. The agency is in compliance with FASB (Financial Accounting Standards Board) and generally accepted accounting principles for non profit organizations, including but not limited to:
 - a) For agencies with annual revenues over \$250,000, an independent certified audit of the agency's financial statements is completed annually no later than nine (9) months after the close of the fiscal year. For agencies with annual revenues under \$250,000, an independent review of the agency's financials statements by a Certified Public Accountant is completed no later than nine months after the close of the fiscal year.
How standard will be verified: agency submits copy of audit for most recently completed fiscal year.
 - b) Agency has an annual budget outlining projected revenue and expenses for programs, fund raising and administration. Budget is consistent with the major classifications and programs in the audited financial statements.
How standard will be verified: agency submits copy of agency budget and audit.
 - c) Regularly prepared financial statements present the overall financial activities and financial position of the organization and include a functional expense breakdown that shows total expenses for each program, fund raising and administration which are consistent with those reflected in the agency budget.
How standard will be verified: agency submits copy of most recent financial statements.
7. The agency prepares an annual report within seven months of the end of the agency's fiscal year. An annual report is a published account of the activities for the previous 12-month period, including, at a minimum: the organization's purpose; a report of the agency's service delivery for the previous 12-month period; a statement of the agency's eligibility to receive deductible contributions; the agency's board of directors; and information about financial activities and financial position. This report is made available to stakeholders and constituencies.
How standard will be verified: agency submits copy of annual report.

8. Administrative and fundraising costs are reasonable, generally not exceeding 25% of total expenditures. In the event that such costs exceed 25%, the agency is able to explain why this excess is justified.

How standard will be verified: agency submits copy of IRS Form 990 and written explanation of administrative and fundraising costs over 25% of budget, if applicable.

9. The agency's board of directors, or other governing/advisory body, exercises responsible oversight of the organization's operations and staff, and, as such:

- a) Meets at least four times a year, with a quorum in attendance.

How standard will be verified: certification volunteer reviews board minutes for previous 12-month period on-site at the agency.

- b) Has a minimum of five board members that are elected for specific terms and a rotation plan which provides for new members.

How standard will be verified: agency submits copy of bylaws and current board roster.

- c) Board members are not compensated, except to the extent that the agency's chief executive officer (or other senior staff) may serve on the board by virtue of their role. In that event, compensated board members do not represent more than ten percent of members (or one person for boards under ten in membership).

How standard will be verified: agency submits copy of IRS Form 990 and board roster.

- d) Maintains minutes that include a record of board members in attendance, a record of action taken, and the signature of the board member responsible for the minutes.

How standard will be verified: certification volunteer reviews board minutes for previous 12-month period on-site at the agency.

- e) Conducts a regularly scheduled written appraisal (at least every two years) of the CEO's performance.

How standard will be verified: agency attests to compliance of this standard and reports date of last CEO review.

- f) Reviews and approves the annual agency budget in advance of each fiscal year.

How standard will be verified: certification volunteer reviews board minutes for previous 12-month period on-site at the agency; agency highlights board minutes that include budget approval.

- g) Regularly reviews the year-to-date financial statements.

How standard will be verified: certification volunteer reviews board minutes for previous 12-month period on-site at the agency.

- h) Establishes, and periodically reviews, the organization's financial, personnel, and other management policies.

How standard will be verified: agency attests to compliance and submits at least one example of board meeting minutes reflecting action taken to establish and/or update agency policies.

10. Written policies, adopted by the board, and management practices are in place to help ensure accountable and effective operations, including, but not limited to, those listed below. The agency demonstrates that it adheres to the policies and practices it has established.

- a) Conflicts of interest involving board members, other volunteers and staff.

How standard will be verified: agency submits copy of policy.

- b) Personnel policies, personnel handbook (for agencies with more than one employee) and other operational policies and procedures to ensure efficient and accountable operations.

How standard will be verified: agency submits copy of policy.

- c) A policy promoting pluralism and diversity within the organization's board, staff and constituencies. This should include an affirmative action plan and/or non-discrimination statement.

How standard will be verified: agency submits copy of policy and statement describing actions taken by the agency to achieve diversity.

- d) A policy that ensures there is a clear separation and distinction between religious programs and social programs and that participation in religious activities is not a requirement to receive services.

How standard will be verified: agency submits copy of policy.

- e) Policies and procedures to ensure sound financial management, with regard to: financial reporting, internal controls, creation and maintenance of an operating reserve, management of investments.

How standard will be verified: certification volunteer reviews policies on-site at the agency.

- f) If the agency charges fees for its services, a policy that addresses how fees are determined and which makes accommodations for those clients with no ability, or limited ability, to pay the fees.

How standard will be verified: submission and review of policies.

- g) A policy establishing a mechanism and procedures for client and/or constituent feedback (if applicable) and client grievances.

How standard will be verified: agency submits copy of policy.

- h) A policy to ensure the agency makes reasonable accommodations to ensure the accessibility of its services, and, if subject to the Americans with Disabilities Act, ensures the agency's compliance with ADA requirements.

How standard will be verified: agency submits copy of policy and statement describing actions taken to achieve accessibility.

- i) A policy to address privacy concerns of donors through providing a written appeal that will allow both new and continuing donors to inform the agency if they do not want their name and address to be shared outside the organization; and have a privacy policy that is made available to the public upon request, via website, or other means of accessibility.

How standard will be verified: agency submits copy of policy.

11. The agency's board and staff leadership engage in periodic planning and assessment of organizational performance to establish future direction with regard to the agency's programs, finances, and overall management,
How standard will be verified: agency submits copy of plan.
12. The agency carries insurance coverage to protect the public interest and safeguard the assets of the organization. Such coverage may include a blanket fidelity bond, general liability insurance, real and personal property insurance, officers and directors liability insurance (which may be extended to include the agency's chief executive officer), and applicable professional liability insurance.
How standard will be verified: certification volunteer reviews evidence of insurance policies on-site at agency.
13. The agency periodically affirms its programs in light of its mission and ensures that the agency has the organizational capacity (qualified staff, appropriate facilities and financial resources) to implement the program(s).
How standard will be verified: agency attests to compliance with standard.
14. The agency has defined outcomes for each program and has a system in place to measure and report progress and implement program improvements. Program performance is reviewed annually by the board and staff for effectiveness.
How standard will be verified: agency submits brief description of its outcomes data collection system and how that data is used; certification volunteer reviews board minutes on-site at agency that demonstrate board involvement in oversight of this area.
15. If the organization operates under religious auspices, it separates its budget for its social service programs from its religious activities. This separation is clearly distinguishable in the agency's audited financial statements.
How standard will be verified: agency submits a written disclosure of religious activities conducted by the agency; certification volunteer reviews the agency's audited financial statements to ensure that income and expenses of religious activities are accounted for separately from other agency services.