

Standards and Policies for Funded Partners
United Way of Greater Houston
Revised August 2023

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Investment Philosophy

United Way of Greater Houston’s investment philosophy is designed to accomplish our approach that will create the opportunity for individuals and families in our community to thrive by leading, serving, influencing and convening the nonprofit social services sector to deliver quality services with exceptional outcomes. Our approach seeks to improve the lives of people in our community living as ALICE and below. To accomplish this, our investments are targeted to those communities with the greatest concentration of our target population in each of the four counties in our service area: Harris, Fort Bend, Montgomery and Waller. Investments will be directed to individual agencies to achieve the objectives outlined in our Single Investment Process and detailed in each Service Provider Agreement. United Way’s investments are results-based, providing the agency a degree of flexibility to work in partnership with United Way staff and volunteers to determine how best to utilize funds to achieve agreed upon common metrics.

Funded Partners

United Way values the work of our funded partners and the critical role they serve in our community supporting individuals and families experiencing ALICE to create their own journey to become financially stable. We value partners that share the same values we do and continue to strengthen our community in innovative ways. We seek to partner with organizations that will actively engage in the Integrated Client Journey, which is a network of partner organizations united to support individuals and families currently experiencing ALICE on the road to financial stability.

Within the Integrated Client Journey, we value building partnerships that demonstrate these qualities:

- **Committed to Diversity Equity Inclusion Belonging (DEIB)**
Actively engages with all four of these components within DEIB and also commits to ensuring that all individuals served are being treated fairly and equitably.
- **Engagement with the Integrated Client Journey (ICJ)**
All levels of the organization are committed to actively engaging in the Integrated Client Journey and communicate across the organization to ensure this vision is achieved. United Way commits to open and transparent communication with its partner organizations.
- **Collaborative**
Recognizes that one agency can't do it alone and seek to build intentional collaborations across our network. We believe that a community investment goes beyond dollars granted; we invest in partnerships of shared success and shared learning.
- **Coaching mindset**
Views clients as the experts in their own lives and as creative, resourceful and whole. Takes a strengths-based approach to serving clients across the entire organization.
- **Continuous Quality Improvement**
Utilizes data to make programmatic improvements and changes. Committed to tracking data and reporting outcomes. United Way will provide support to organizations who may not have robust data systems in place but seek partners that are willing to commit to improving systems and engaging in learning opportunities.

Policies, Standards and Procedures Overview

United Way of Greater Houston's policies, standards, and procedures incorporate research and best practices from the non-profit field. The policies, standards, and procedures presented in this document reflect the cumulative work of United Way of Greater Houston staff and community volunteers. This document establishes processes for engaging with funded partners. A funded partner's signature on the Service Provider Agreement is acknowledgement that the agency has reviewed and will comply with all policies, standards, and procedures captured in this document.

POLICIES

Policies detail the foundational requirements of being a partner in good standing with United Way. No exceptions can be made when aligning with these policies.

Legal and Regulatory Policy

Funded partners must operate in material compliance with all applicable federal, state and local laws, regulations, and ordinances.

Funded partners must indemnify, defend, and hold harmless the United Way of Greater Houston, including its Board of Trustees, its officers, committee members, volunteers, agents and employees from all costs, expenses, liabilities and claims arising out of any acts or omissions of the funded partner.

Governing and Oversight Policy

With exception to those organizations that solely provide virtual financial product services, funded partners must be governed by a board of directors comprised of local volunteer representatives who reflect the diversity of the community served, or a local advisory committee reflecting the diversity of the community served that reports to a national or regional board of a national organization. Whether board or advisory committee, the entity must have ability to influence, direct, and determine local programming. If representative board diversity has not yet been achieved, a board or board committee-approved recruitment plan must be in place.

Financial and Fiscal Management Policy

Financial and Fiscal Management Policy

- Funded partners must document and maintain internal financial policies and procedures that demonstrate a system of internal controls to ensure accurate financial reporting and to protect its assets.
- Funded partners must prepare their financial statements (Statement of Activities, Statement of Financial Position, Statement of Cash Flows, and Statement of Functional

Expenses) on an accrual basis and in accordance with Generally Accepted Accounting Principles for nonprofit organizations.

- Funded partners must submit their annual budget and financial statements as set forth in the standards.
- Funded partners must file the appropriate IRS series 990 form annually, as prescribed by the IRS.
- Funded partners must participate in Organizational Review.

United Way Reporting Policy

Funded partners must meet reporting deadlines established by United Way regarding Organizational Review, Program Investment/Review and other information requested or annual fundraising and community assessment activities or on matters of concern to United Way, such as meeting service objectives.

Funded partners must provide their United Way Primary Staff Partner, per Service Provider Agreement, with immediate written notification of any of the significant agency events, including but not limited to:

- Any organizational changes related to structure, name, nonprofit status, physical location, funded program offerings and common metrics, senior leadership and/or board chair changes.
- Any notifications received by the agency from any governing federal, state, local, legal (civil or criminal) action, lien or funding source of non-compliance or investigation.
- Organization must advise of any event that may threaten the agency's viability or have the potential of any significant negative financial impact on organization operations or program service delivery.
- Any threat of a potential negative media or publication that would threaten or materially impact the agency's reputation or positive public service image.

Continuous Quality Improvement (CQI) Policy

Funded partners must have a documented process by which it collects and regularly tracks and evaluates United Way of Greater Houston common metrics and uses that information as the basis for program modifications and planning. A funded partner's focus on quality improvement must include client feedback and be incorporated at all levels of the agency through a formalized, dedicated, and diverse CQI team.

Communication and Branding Policy

Funded partners must adopt and follow the “Communications Guidelines for Funded Partners” updated 2021.

Diversity, Equity and Inclusion Policy

UWGH joins United Way Worldwide in recognizing that structural racism and other forms of oppression have contributed to persistent disparities which United Way seeks to dismantle. The UWGH network strives to engage community members, especially those whose voices have traditionally been marginalized. UWGH works with residents and public and private partners to co-create solutions that ensure everyone has the resources, supports, opportunities and networks they need to thrive. We commit to leveraging all of our assets (convening, strategic investments, awareness building, advocacy) to create more equitable communities.

In support of this commitment, UWGH funded partners shall not engage in discrimination based on race, ethnicity, age, gender, gender identity, sexual orientation, national origin, religion, or presence of a disability in the delivery of services. Funded partners shall have a formal Diversity, Equity, and Inclusion policy within their respective organizations; and the Board composition of funded partners should reflect the diversity of the community served; if diversity has not been achieved, then a board or board committee-approved recruitment plan must be in place. Funded partners shall have a demonstrated ability to provide culturally relevant services to diverse communities and commit to participating in UWGH-sponsored diversity, equity, and inclusion training opportunities.

Service to those with Income up to ALICE Threshold Policy

Funded partners must provide services to individuals and families that are at or below the ALICE survival threshold upon entry into services. ALICE stands for Asset Limited Income Constrained Employed. ALICE is defined as a household earning more than the poverty level, but not enough to consistently make ends meet and be able to have enough savings to weather a minor emergency or set back. Please refer to the latest ALICE report for the ALICE threshold income levels.

Data Sharing Policy

Funded partners must adhere to all legal, regulatory, and governance agreements in place to ensure the security of shared data.

STANDARDS

Standards detail the rules and actions that explain how to remain in compliance with our policies. Standards may be adjusted over time and exceptions may be made in limited situations.

Legal and Regulatory Standard

Funded partners are expected to adhere to the following:

- Be incorporated as a nonprofit organization
- Have tax exempt status under section 501(c)(3) of the Internal Revenue Code for a minimum of two years
- Maintain all applicable licensing, accreditation, and government code requirements
- Acquire and maintain a reasonable level of Directors and Officers liability insurance, general liability insurance
- Operate on a non-discriminatory basis with regard to gender, gender identity, sexual orientation, age, race, religion, national origin and disability, and ensure that services addressing the needs of a specific group shall not be excluded from funding

Continuous Quality Improvement Standard

Funded partners are expected to implement a formalized Continuous Quality Improvement (CQI) plan and be engaged in continuous quality improvement for the services and programs the funded partner provides. Core components of a strong continuous quality improvement process include, but are not limited to:

- Leadership buy-in and support for sustaining an environment focused on continuous quality improvement
- A formalized CQI plan that is updated at least once every two years
- A dedicated and diverse CQI team with clearly defined leader, roles and authority that regularly meets (no less than quarterly) to assess results and recommend improvements. This diverse CQI team should include representatives from varying levels and roles within the organization including but not limited to executive leadership, program leadership, direct staff, indirect staff, support staff, etc., and/or may include other stakeholders such as clients or volunteers
- Common metrics (outcomes, indicators, and outputs) that are directly connected to the program's service components
- Common metrics (outcomes, indicators, and outputs) targets that build on annual successes and challenges and are based in planning
- Research and implementation of industry standards and best practices
- Ongoing staff participation in United Way CQI trainings
- Incorporate client feedback/input/views of experience in improvement processes

Governance and Oversight Standard

The funded partner's Governing Board:

- Operates in accordance with its bylaws including board size, member term limits, a minimum number of 4 required meetings annually, quorum, and voting procedures.

- Maintains written minutes for each Board meeting prepared in accordance with good governance practices that properly document attendance, deliberations, and decisions of the Board.
- Approves the agency's annual budget and receives updates on interim financial statements.
- Reviews program monitoring reports and approves annual audit reports.
- Provides financial support to the funded partner.

Financial and Fiscal Management Standards

- Annual Financial Statements
 - Funded partners with total annual expenses up to \$349,999 are to submit Compiled Financial Statements that have been prepared by an independent, certified public accountant.
 - Funded partners with total annual expenses of \$350,000 - \$999,999 are to submit a Financial Statement Review that is conducted by an independent, certified public accounting firm.
 - Funded partners with total annual expenses of \$1,000,000 or more are to submit an Audit that has been conducted by an independent, certified public accountant firm. Submission includes the full audit report including single audit, all footnotes, a report on internal control findings, and if issued, the management letter and response.
 - Funded partners are to submit organizational review documents as outlined in the Service Provider Agreement.
- Funded partners may be required to submit internally prepared financial statements that have been reviewed by members of the Board of Directors more frequently than annually. The following circumstances may create this requirement:
 - A new chief executive officer.
 - The results of the unaudited fiscal year-end financial statements.
 - The results of the compiled, reviewed, or audited financial statements.
 - A significant agency event as described in the United Way Reporting Policy.

Performance Monitoring and Program Evaluation Standard

Funded partners are expected to adhere to performance monitoring and program evaluation on a regular basis. The scope of the performance monitoring and program evaluation is determined by United Way including but not limited to:

- program performance,
- data sharing and reporting,
- common metrics results,
- demonstration of CQI standards,

- engagement with United Way,
- collaboration efforts,
- use of best practices,
- relevancy to the United Way strategic direction

Performance monitoring will include continuously assessing program results to identify successes and challenges. United Way expects assessments to occur on an annual basis, but specific monitoring will be communicated in each Service Provider Agreement.

Program evaluation may include a variety of methods to determine program effectiveness and efficiency. Methodology for program evaluation includes but not limited to quantitative, qualitative, and mixed designs.

Performance monitoring and program evaluation may be performed directly by United Way staff, volunteers or may be contracted to individuals or firms outside the United Way.

Any findings from performance monitoring and program evaluation will be used to make informed decisions and apply corrective action in an appropriate and timely manner.

United Way Engagement and Attendance Standard

Funded partners are expected to:

- Communicate with all United Way staff in a respectful and appropriate professional manner
- Be responsive to United Way requests
- Proactively provide updates regarding, but not limited to, procedure, administration, management, programs, or financials to United Way staff (Mission & Strategy, 2-1-1 Texas/United Way HELPLINE, Advancement (Donor Relations and Brand), Centers, etc.)
- Maintain a collaborative relationship with United Way that demonstrates full commitment and common purpose and where the partner also contributes resources and reputation
- Collaborate with United Way during times of disaster
- Submit all requests for reporting by the appropriate due date
- Notify United Way prior to scheduling a major fundraising event which include events that net \$150,000 or more during key campaign months of September – November and January – March to ensure there are no conflicts

Donor Relations Engagement

Funded partners are expected to:

- Assist in the annual campaign by encouraging financial contributions from agency staff and board members
- Support United Way’s campaign efforts by providing tours for contributor groups and potential contributors

- Provide speakers for campaign activities when requested
- Participate in United Way campaign promotional activities when requested
- Communicate dates of major events which include events that net \$150,000 or more and/or events that host more than 100 people prior to confirmation

Brand Engagement

Funded partners are expected to:

- Adhere to all procedures and expectations outlined in the Communication Guidelines
- Prominently display the United Way logo in compliance with the Communication Guidelines at all facilities and in all public and promotional materials including, but not limited to:
 - Press releases
 - Brochures
 - Flyers
 - Letterhead
 - Newsletters
 - Mailers
 - Website
 - Social Media
- Obtain approval by submitting all requests for branding to assigned United Way Primary Staff Partner, per Service Provider Agreement, prior to publication and distribution

Volunteer Engagement

Funded partners are expected to:

- Collaborate with United Way staff to host volunteer groups, as appropriate and available
- Regularly communicate with United Way staff about volunteer needs and limitations
- Include information about your partnership with United Way (how United Way funding benefits your programs, partnership benefits, etc.) with volunteers during projects
- Refrain from soliciting United Way volunteers for financial donations to your agency/programs during projects

United Way Centers

Funded partners who are tenants are expected to keep regular office hours in the Center per their Service Provider Agreement and engage in the following:

- Monthly collaborative meetings
- Monthly/Bi-monthly tenant inter-agency meetings
- Quarterly Benefit and Resource Fairs
- Maintain Center directory listings/brochures/profiles

Attendance

Funded Partners are expected to regularly attend, engage and participate in relevant meetings, including those outlined in these standards.

2-1-1 Texas/ United Way HELPLINE Standard

Funded partners are expected to:

- Provide the 211 Texas/United Way Helpline with specific requested information about the services provided by the agency at a minimum of every six months. The agency shall provide the complete information in an electronic form as requested by the Community Resource Database Team within two weeks of receipt of the email request.
- Update records in real-time if any program description, eligible requirements, hours of operation changes take place.
- Remain listed in the 2-1-1 Texas United Way/Helpline and accept referrals as capacity allows
- Respond to 2-1-1 referrals in a timely manner.

The Community Resource Database staff will be available for any assistance needed with this process.

Service to those with Income Up to the ALICE Threshold Standard

Funded partners are expected to follow the Qualifying for ALICE guidelines to identify and report service to those classified as ALICE and below. Please review the procedure Qualifying for ALICE guidelines listed in this document.

Data Sharing Standard

Funded partners are expected to follow the Data Sharing Agreement and Data Governance Charter which includes uniform data standards that sets forth the safeguards for protection of confidential information and requirements for restricting data. The data sharing agreement details each funded partners' data sharing requirements and protocols for submitting/connecting data.

We envision an Integrated Client Journey that uses real-time data from United Way of Greater Houston funded partners, 2-1-1 Texas/United Way Helpline, and the ALICE report to support individuals and families working toward a sustainable quality of living. Data will be used to measure the impact for continuous quality improvement and inform investment decisions of the Integrated Client Journey. The role of data will be iterative and evolve over time to include community data CQI systems to strengthen the Integrated Client Journey. By bringing data together across partners and systems, we are amplifying a collaborative effort that seeks to support individuals and families along their unique journey to sustainable quality of living.

Collaboration Standard

Funded partners are expected to foster a collaborative culture in their agency and in United Way funded partnerships by adhering to the stated best practices:

- Attend and actively contribute to assigned professional learning community
- Participate in and seek opportunities for collaborative programming and integrated operations that promote greater efficiency and effectiveness
- Demonstrate commitment to the best interests of the population being served
- Actively seek ways to scale services through innovative partnerships, leveraging resources and other means
- Advance the integrated client journey by working towards a common goal
- Internal practices that allow for strategic planning and program design for collaboration
- Leadership commitment and buy-in
- When appropriate, formalized agreements between collaborative partners
- Commitment to continued improvement and strengthening of joint services
- Apply CQI process to collaborative work

Fundraising and Administrative Costs Standard

Funded partners are expected to adhere to the following:

- Total fundraising and administrative costs must be reasonable based upon size of the organization and other relevant factors in United Way's sole discretion.
- A reasonable guideline for most organizational fundraising and administrative costs is 35%. Therefore, an average of 65% or more of total income from all sources over a three-year period should be used for programs and activities directly related to the charitable purposes for which the organization exists.

Fundraising Standard

These activities are prohibited at any time:

- Direct solicitation of employees at the workplace or to organized labor groups
- Participation in workplace campaigns in competition with United Way
- Participation in another community-wide fundraising federation
- Third party commercial enterprises using the agency's name to endorse their product
- Promoting designations to its agency through the United Way campaign
- Promoting agency events during workplace campaign presentations

PROCEDURES

Single Investment Framework Procedure

Funded partners are expected to adhere to the Single Investment Framework process that ensures that donor gifts are invested responsibly. At the discretion of United Way, there may be a minimum or maximum amount of funding set that an agency can be awarded through the Single Investment Process. United Way expects awards made through the Single Investment Framework to be for a three-year period. Funding recommendations are based on a detailed, comprehensive review process, encompassing both an organizational (financial and governance) and program review.

Award Notification and Funding Procedure

- The following procedure outlines United Way’s process for notifying nonprofits of grant funding, the distribution of an annual Service Provider Agreement, and updates to a Service Provider Agreement. Award notifications are issued to partners electronically once approved by Board of Trustees.
- Each award will include a Service Provider Agreement which outlines the grant’s details and United Way expectations.
- United Way must receive a signed copy of the Service Provider Agreement before funds can be released. The signed Agreement must be returned within 15 business days electronically or the Agreement may be considered void and funds awarded to a separate entity.
- Funding term period is outlined in the Service Provider Agreement and may vary depending on the purpose of the grant.
- Within the three-year funding timeline, award amount may vary from the initial Service Provider Agreement due to a variety of factors, including but not limited to:
 - Service performance that fails to meet United Way’s standards
 - Agency financial health that fails to meet United Way’s standards
 - United Way’s campaign does not meet its revenue goal and reductions are required
- A modified Service Provider Agreement or award letter will be issued if a change in funding amount is made during the defined grant period. The modified Agreement will contain any expectation changes due to change in funding.
- Unless otherwise noted in the Service Provider Agreement, awarded funds are paid twice a month on a prorated basis via electronic funds transfer.

Service Provider Agreement (SPA)

Funded partners must provide United Way with a signed annual Service Provider Agreement within the timeframe indicated by United Way to receive timely payment on our investments or the agreement can be considered null and void and the funds can be awarded to a separate entity. The Service Provider Agreement may include the following, but not limited to:

- Overview, statement, and purpose
- Term, contribution, and payment schedule
- Approved uses, contingencies and return of funds/failure to comply clause
- Reporting requirements, data sharing, common metrics, indicators, targets/benchmarks, collaboration and performance expectations
- Indemnify & Hold Harmless clause (legal review)
- Agency independence (legal review)
- Anti-Terrorism Compliance Measures Certification
- Additional criteria as determined by United Way

Service Provider Agreements are subject to change. Annual investment amounts are determined by the available resources based on the United Way campaign results each year, volunteer committee reviews and oversight, agency/partner performance of common metrics and adherence to United Way’s Standards, Policies and Procedures.

Organizational Review

United Way will conduct regular assessments of each potential and current funded partner’s governance and financial health. These assessments will align with the **Governance and Oversight Standard** and **Financial and Fiscal Management Standards** listed above. To be eligible for new or continued funding partners meet these requirements.

Program Review

All programs will undergo regular review through United Way’s ongoing investment and evaluation processes. Agencies must submit the appropriate materials and complete each component of the investment process or review to be considered for funding.

Service to those ALICE and below

United Way funding is limited to those individuals who are considered ALICE and below. Agencies must have processes and procedures in place to ensure clients meet the ALICE criteria. Specific details can be found in the “Qualifying for ALICE Guidelines” document.

Reporting Procedure

United Way requires programs to report data quarterly to demonstrate the benefit to and impact of their programs to clients. Funded Partners are expected to apply intention and rigor to their reports. The quarterly reporting schedule for the funding year will be outlined in the Service Provider Agreement.

With advance notice (48 hours before due date), United Way will grant an extension to the due date for reporting if an agency needs additional time to submit their report. Typically, UWGH will grant a one-week extension to the due date. Advance notice should be provided in written form (electronic preferred) to the United Way Primary Staff identified in the Funded Partner's Service Provider Agreement.

United Way will not accept late reports without advance notice. The funded partner will need to submit data in the next reporting cycle.

If the funded partner is late for two or more report cycles within any twelve-month period, United Way will consider this a De Minimis and Repeat standard violation and move forward with corrective action steps to address the repeat late reporting issue. Corrective action steps will include a recommendation for suspension of funding and termination of Service Provider Agreement for next funding year.

CORRECTIVE ACTION

United Way has outlined the following procedures for addressing performance and noncompliance issues. United Way expects performance and noncompliance issue(s) to be addressed promptly by funded partners.

Consequences for noncompliance with United Way policies and standards

If evaluation by United Way indicates lack of compliance with these policies and standards, the following options or actions may apply.

- 1.** United Way will determine if non-compliance is with standard or policy (see below for specific violation procedures)
- 2.** United Way will determine the type of violation(s) that occurred
 - a.** De Minimis – The least serious kind of violation, this is a technical one that has no direct impact on service delivery or client well-being.
 - b.** Other-than-Serious – A violation for something that is related to negative impacts on service delivery and/or client well-being.
 - c.** Serious – Issued after staff has knowledge of an existing problem that could impact service delivery and/or client well-being yet does nothing to correct it.
 - d.** Willful – Issued for an intentional violation of United Way policies and standards, such as decisions made that an individual would reasonably see as counter to the information in this document.
 - e.** Repeat – Issued for a violation that is identical or very similar to one for which the program has been previously cited.
 - f.** Failure to Abate – Issued when a program has failed to implement any plans or guidance that would remedy a situation for which it has been cited.

Standards violation procedures to be applied:

United Way will determine the type of violation that occurred.

Upon the first offense for a De minimis or Other-than-Serious offense, United Way staff will issue a written warning to the funded partner and advise of the actions that need to be addressed in a designated timeframe. Training and technical assistance will be offered where appropriate.

If improvements are not made, United Way will escalate the type of violation that occurred, resulting in suspension of funding or apply funding conditions.

If the violation is Serious, Willful, Repeat, or Failure to Abate, United Way may immediately suspend funding.

If improvements are not made after suspension of funding, United Way will terminate the Service Provider Agreement and all remaining funding.

Note: If funded partners fall into non-compliance multiple times within the duration of their Service Provider Agreement, recommendations may be made to skip straight to suspension of funding.

Policy violation procedures to be applied:

Violation of policy is more egregious, and consequences of non-compliance will be weighed differently as these are cases of legal, financial or ethical impropriety.

At a minimum, funded partners who violate United Way policy will be issued a first and final warning and funding will be suspended until such time a corrective action plan is implemented and improvements are made.

If improvements are not made, United Way will cease funding and provide written notification to the funded partner.

Note: Recommendation to move straight to cessation without warning or a corrective action plan may be made at the discretion of the VP Mission and Strategy and approval of the appropriate committees.

Appeals

There will be no appeals.

APPROVED REVISIONS

Additions or revisions to the United Way of Greater Houston Standards and Policies for Funded Partners will be documented in this table. The approved revision will be reflected in the corresponding section of the Standards and Policies document.

Date revision approved	Section
November 30, 2021	Governing and Oversight Policy
November 30, 2021	Donor Relations Engagement standard
April 21, 2022	United Way Reporting Policy
April 21, 2022	Financial and Fiscal Management Standards
April 21, 2022	Data Sharing Standard
September 1, 2022	United Way Engagement and Attendance Standard
September 1, 2022	United Way Engagement and Attendance Standard - Donor Relations Engagement

August 10, 2023	Investment Philosophy and Funded Partners values
August 10, 2023	Reporting Procedure