



## Agency Funding Requirements/ Policies and Procedures

### **BASIC ORGANIZATIONAL REQUIREMENTS:**

An agency must be incorporated and operate as a non-profit, tax-exempt charity or under a local government agency, gifts to which are deductible by the donor for Federal Income Tax purposes according to the Internal Revenue Service Code subsection 501(c). Agencies must operate in the human health, social service, recreation, character building, and/or cultural development fields. Each agency must meet minimum program and management standards as defined in United Way of Vermillion's Evaluation Criteria. Initial each numbered section as you read it. Send your signed and initialed form to [director@unitedwayofvermillion.org](mailto:director@unitedwayofvermillion.org) or P.O. Box 216, Vermillion, SD 57069.

### **United Way of Vermillion – Evaluation Criteria for Agencies**

#### **1. Agency Voting Membership**

The voting membership exercising basic legal control of the agency should be defined in the bylaws and related papers. The membership should be representative of the main interests in the agency's field of work. There must be provisions for the election of a Board of Directors so that it reflects the will of the agency's membership. In addition, the agency membership must possess the power of amendment to the constitution and bylaws and have an annual meeting with adequate notice of and information about matters to be acted upon. The Board of Directors may be the membership.

#### **2. Agency Governing Board**

Agencies must have a Board of Directors which meets a minimum of four times per year to establish policies and to provide supervision of operations and finances and whose members serve without compensation.

#### **3. Agency Program Proposal Review**

All agencies seeking United Way funding will undergo a review by the United Way of Vermillion Board of Directors. This review will include an assessment of the need as well as an evaluation of the agency's program, management, and effectiveness of financial control.

#### **4. Budgeting or Accounting**

Each agency must have a complete accrual or cash system of accounting and operate its accounting system in conformity with the standards of accounting. The United Way of Vermillion provides a form to sign that states that the agency is in compliance with 501(c) requirements for budgeting and independent audit of agency books for agencies with an annual budget of \$250,000 or more.

**5. Program Goals and Objectives**

Agency funding requests are required to describe any and all programs for which United Way funds will be used. The program descriptions must include clear goals and objectives. United Way funding criteria require all agencies to submit agency program goals and objectives annually.

**6. Evidence of Need**

Agencies must demonstrate the need for United Way funding to meet program goals. The applicant agency must also demonstrate that it meets a need not already filled by an existing agency funded by United Way of Vermillion. A list of United Way agencies may be obtained from the Executive Director.

**7. Non-Discrimination Clause**

Each agency requesting United Way funds must agree that the availability of services and the membership of its governing board and its employees will be determined without regard to race, color, religion, sex, age, or national origin. All agency benefits and programs including services to the public, employee compensation, and other employee benefits, must be administered in a non-discriminatory manner.

**8. Length of Service**

It is requested that an applicant agency have completed two full years of service in the community to be qualified for United Way of Vermillion funding. Start up agencies may apply, but preference will be given to existing active agencies.

**9. Policies and Procedures**

Agencies must accept United Way of Vermillion's Policies and Procedures as stated in this agency agreement and its appendages.

**10. Approval/Denial of Agency Applications**

The United Way Board of Directors shall have the right to approve or deny any application for admission as a United Way agency based on these admission policies or any other reason which, in the opinion of its members, would be detrimental to the United Way.

**11. Capital Requests (when Capital Requests are being entertained)**

In general, United Way of Vermillion does not grant capital funding requests. However, in the event that funds become available for capital requests, they may be submitted separately and are considered over and above and separate from program requests. The United Way Board of Directors shall have the right to approve or deny any application for capital expenditures based on these admission policies, availability of funds, or any other reason which, in the opinion of its members, would be detrimental to the United Way.

## **12. Awarding of Funds**

The United Way Board of Directors shall have the right to decrease an agency's award if annual pledge collection is not realized to the level of United Way funding commitments. If this should occur, agencies will be notified as soon as the need for such action is determined.

Additionally, the United Way Board of Directors reserves the right to decrease an agency's award for any violation of these policies and procedures.

## **13. Campaign Records**

An agency raising its own funds may be requested to share its campaign solicitation list with United Way of Vermillion for inclusion in the United Way campaign.

## **14. Annual Report**

Agencies receiving United Way funding must submit an annual report to United Way of Vermillion. The annual report is to include financial statements and a description and quantification of United Way funded program(s). The annual report questions are included in the coming year's application. Additionally, the United Way of Vermillion Board of Directors may request the presence of a representative from agencies at a board meeting to make a short presentation or answer questions.

## **15. Fundraising**

All funded agencies must provide a volunteer to assist with fundraising activities during the annual campaign. If the assigned volunteer is unavailable, the agency will make a good faith effort to provide a replacement. Additionally, all agencies will conduct a United Way campaign with their staff and board (although donation is in no way compulsory). The United Way Board of Directors reserves the right to revoke an award from any agency who refused to assist with, or engages in behavior determined to be detrimental to, fundraising efforts.

## **16. Other Requirements**

From time to time, additional requests may be made of funded agencies including, but not limited to, requests for information for promotional materials, displays representing the agency's use of United Way funds, cooperation during annual campaign, assistance with meetings, and help with the creation of promotional materials. All United Way agencies are asked to feature the United Way logo on any and all promotional materials, correspondence, newsletters, etc.

***United Way reserves the right to withhold funds until the agency has submitted examples of and/or demonstrated compliance with the above requirements.***

## Agreement to Policies and Procedures of United Way of Vermillion

I have read and understand the United Way of Vermillion's Agency Requirements and Policies and Procedures for participating agencies and agree to comply with the policies, procedures, and requirements stated therein.

**Anti-Terrorism Compliance Measures Certification: In compliance with the USA PATRIOT ACT and other counter-terrorism laws, United Way requires that each agency certify the following: United Way funds and donations will be used in compliance with all applicable anti-terrorist financing and asset control laws, statues and executive orders.**

Agency \_\_\_\_\_

Agency Director \_\_\_\_\_  
Signature Date

## 501(c) Compliance Statement

I, as the designated representative of \_\_\_\_\_, affirm that this agency is in compliance with the standards and requirement for 501(c) organizations and is operated under an approved set of agency bylaws.

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Title

Received by United Way of Vermillion

\_\_\_\_\_  
Signature of United Way of Vermillion Executive Director

\_\_\_\_\_  
Date Received