



United Way
of the Midlands

United Way Partner Certification

United Way of the Midlands (UWM) welcomes partnerships with health and human service agencies that address human needs in the community, and that meet certain organizational standards.

Certified partnership does not guarantee UWM funding, but certified partner agencies are eligible to submit proposals for competitive grants solicited by UWM. There are other benefits in being a certified partner as well:

- Agency listing on UWM community campaign materials
- Agency listing in our brochures and Annual Report
- Agency access to the Combined Federal Campaign as part of UWM federation
- Agency participation in public policy issues, impact strategies, and the CEO Association

Please review Certification Guidelines, which outline the certification process and organizational standards of UWM partner agencies.

If you have any questions about the process and our certification standards, please call Karen Oliver at (803) 733-5416.



**United Way
of the Midlands**

GUIDELINES FOR AGENCY CERTIFICATION PROCESS AND STANDARDS

Approved May 5, 2005

**Inclusion/Exclusion Criteria for New Partners
Approved September 19, 2006**

GUIDELINES FOR AGENCY CERTIFICATION

I. INTRODUCTION

In 1998, the United Way of the Midlands (UWM) began distributing funds for critical human service needs to the organizations most capable of addressing those needs. This process insures that the United Way supports high quality programs because organizations wishing to compete for funds must be "certified" as meeting minimum standards for nonprofit organizations. This guide outlines the minimum standards and the process for becoming certified.

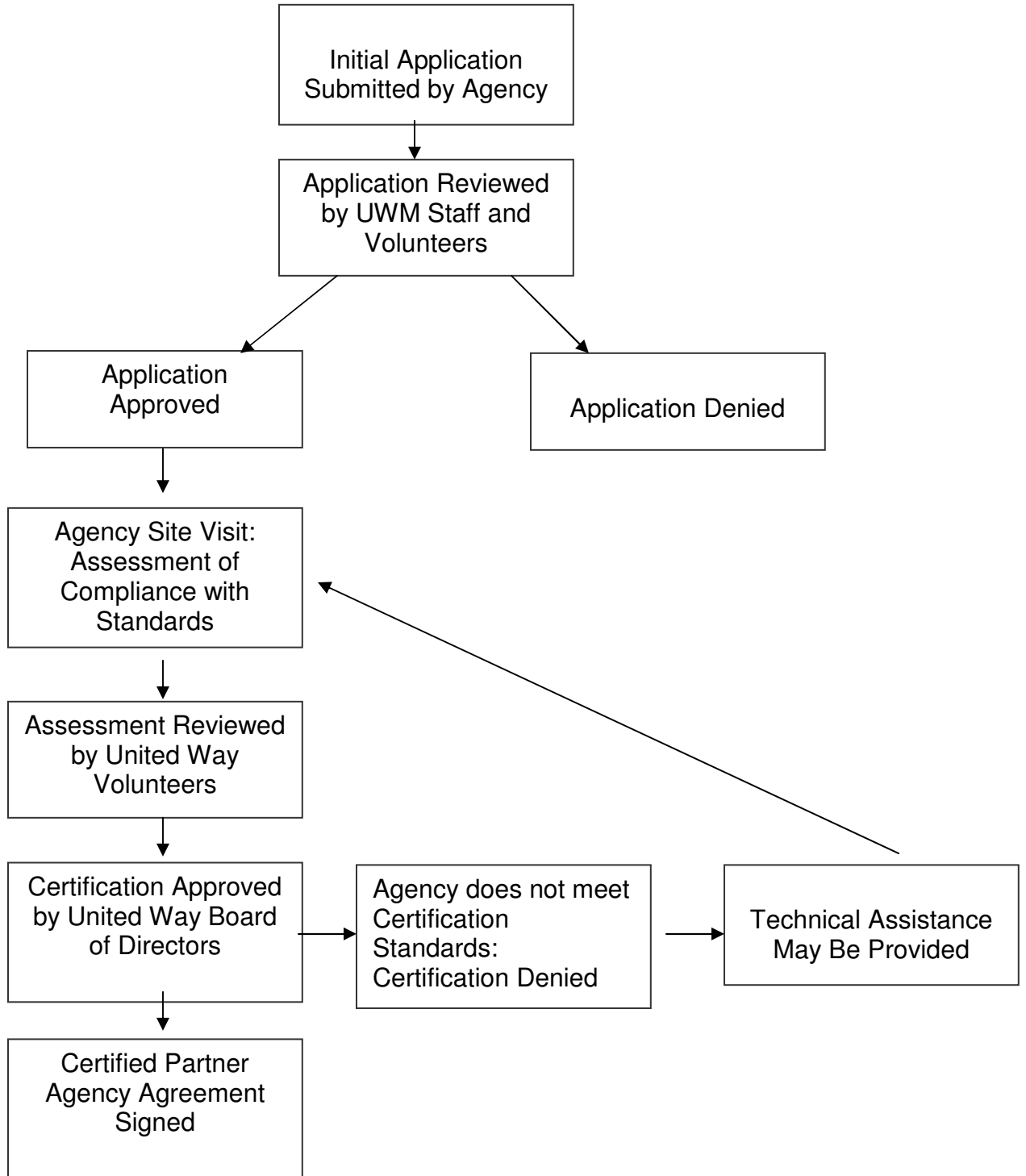
II. APPLICATION ELIGIBILITY

- A. UWM may partner with 501(C) (3) health and human service organizations that have been in existence for at least one year and that meet the following criteria:
 - a. Provide direct services to clients
 - b. Assist individuals in becoming more self-sufficient, in preventing dependency, and in strengthening family relationships
 - c. Support personal, physical and social development t
 - d. Help ensure the health and well-being of individuals, families, and communities.
 - e. Provide services to individuals, groups and/or families in the Midlands (Calhoun, Fairfield, Lexington, Newberry, Orangeburg, and/or Richland counties)

- B. UWM does not partner with the following types of organizations:
 - a. Organizations that exclusively serve their own members
 - b. Organizations whose primary missions are promoting arts and culture, environmentalism, or animal rights or care.
 - c. Organizations whose primary work is advocacy and not direct services.
 - d. Organizations whose primary purpose is to raise money or fund programs that are not directly managed by the organization

- C. Partners are certified for three years, but interim annual reports are required annually.

CERTIFICATION PROCESS



MINIMUM STANDARDS OF ELIGIBILITY FOR QUALIFYING AS A UNITED WAY CERTIFIED AGENCY

INTRODUCTION:

Certification is required for participation in funding opportunities offered by United Way of the Midlands. Certification does not guarantee funding.

REQUIRED STANDARDS (PASS/FAIL):

LEGAL STANDARDS

Standard # 1: Incorporation, Not-For-Profit Status, IRS Tax Exemption

Certified agencies must 1) be incorporated as not-for-profit organizations and 2) have status as a 501(C) (3) tax exempt agency from the Internal Revenue Service. Operating divisions' parent corporation must meet this requirement and provide the same information required for their free standing organizations.

Standard # 2: Secretary of State's Office Registration

Certified agencies must be registered with the South Carolina Secretary of State's Office for charitable solicitation or have a current letter stating exemption from such registration.

Standard # 3: Non-Discrimination

The organization must have an up-to-date policy on non-discrimination that is in compliance with all applicable federal, state, and local laws or regulations.

GOVERNANCE STANDARDS

Standard # 4: Governance Structure

The organization must have and operate in accordance with at least the following governing instruments: 1) articles of incorporation, 2) charter, by-laws, and 3) personnel policies.

Standard # 5: Active Governing Body

The organization must have an active governing body of at least nine members that :

- Establishes policies
- Meets at least quarterly, with a quorum
- Supervises a chief administrative staff, paid or volunteer
- Has a membership rotation policy
- Has term limitations
- Approves and monitors agency budgets
- Has a plan for membership diversity in Board By-laws

COMMUNITY NEED STANDARDS

Standard # 6: Issue / Need

The organization addresses or meets a documented issue or issues in Fairfield, Lexington, Newberry, Orangeburg, Calhoun, or Richland Counties as outlined by the community assessment co-sponsored or sponsored by the United Way or other appropriate documents. Agency must provide documentation of the human service need or problem it addresses.

PROGRAM SERVICES STANDARDS

Standard # 7: Program Operations

The organization has provided program services for at least one year and provides services in one or more of the six counties of Fairfield, Lexington, Newberry, Orangeburg, Calhoun, and Richland.

FISCAL STANDARDS

Standard # 8: Audited Financial Statements

8.1: A.I.C.P.A. Guidelines

The organization prepares financial statements in accordance with American Institute of Certified Public Accountants guidelines as evidenced by the following:

- a) All agencies submitting an application **for certification** must submit an independent, certified audit.
- i) Agencies that are in compliance with all federal and state laws and have an annual operating budget **over \$250,000** must prepare financial statements in accordance with American Institute of Certified Public Accountants guidelines as evidenced by the following standards:

- An annual audit is done by a certified public accountant who is independent of the organization
 - The audited statements are prepared on an accrual basis
 - The audit contains all of the required statements (financial position, activities, and cash flow)
- ii) Agencies with budgets **less than \$250,000** may submit all certification materials EXCEPT the audit for preliminary review. A successful preliminary review will result in certification of the Agency CONTINGENT on a satisfactory audit conducted within 4 ½ months following the close of the agency's most recent fiscal year.
- b) The following standards apply **for re-certification**:
- i) Agencies that are in compliance with all federal and state laws and have an annual operating budget **over \$250,000** must prepare financial statements in accordance with American Institute of Certified Public Accountants guidelines as evidenced by the following standards:
- ii) An annual audit is done by a certified public accountant who is independent of the organization
- iii) The audited statements are prepared on an accrual basis
- The audit contains all of the required statements (financial position, activities, and cash flow)
- iv) Agencies that are in compliance with all federal and state laws, have an annual operating budget **less than \$250,000 and receive more than \$25,000** from United Way of the Midlands, must submit a full certified audit **every three years, and an audit review from an independent accounting firm in the two years a certified audit is not submitted.**
- v) Agencies that are in compliance with all federal and state laws, have an annual operating budget **less than \$250,000, and receive less than \$25,000** from United Way of the Midlands, must provide financial standards # 9-11.

8.2: Unqualified Opinion

The audit has an unqualified opinion or documented steps acceptable to the United Way both in terms of time and action are being taken to correct any deficiencies that led to a qualified opinion.

8.3: Review by Governing Board

The audited financial statements are reviewed by the auditor with either the full governing body or a committee of the governing body.

8.4: Operating Units/Associated Organizations Audit

a) Organizations that are operating units of another organization and submits national or regional audited financial statements, must also submit:

- i) Auditor's confirmed local financial statement letter
- ii) Local year- end Profit and Loss report

b) Organizations must submit a copy of audits prepared separately for foundations or other entities that raise funds for the organization

Standard # 9: Operating Budget

A detailed operating budget is adopted officially each year by the organization's governing board.

Standard # 10: Interim Financial Reporting

Financial reports that compare the results of operations with the official budget are prepared for and reviewed by the governing body.

Standard # 11: Support Service Expenses / Latest 990

Support service expenses make up 25% or less of the total expenses for the year.

PERSONNEL STANDARDS

Standard # 12: Staffing

The organization can demonstrate that it has sufficient staffing paid and / or volunteer to handle administrative as well as program matters.

TECHNICAL STANDARDS

Standard # 13: Electronic Communications

The organization has sufficient technology to send and receive electronic messages and supporting documents through the internet.

COOPERATION

Standard # 14: Agreement

The agency must be willing to sign a Memorandum of Agreement which includes the following:

- Support and assist in the annual United Way campaign in appropriate ways if funded.
- Publicly acknowledge United Way's support and have United Way of the Midlands logo on publications. (E.g., Annual Report, Newsletters)
- Refer to United Way funded programs at public functions and in press releases.
- Comply with agency fund raising guidelines.

ASSESSED STANDARDS

PLANNING AND EVALUATION

Standard # 15: Operating Plan/Strategic Plan

The agency has both a written annual operating plan and a strategic plan.

Standard # 16: Organizational Evaluation

The agency has a mechanism for program result self-evaluation or outcomes evaluation by an internal or external source every year.

Standard # 17: Client Satisfaction & Input

The agency has a system for determining client complaints and satisfaction with service.

Standard # 18: Client Complaints

The agency has a system for handling client complaints about services.

Standard # 19: Utilization of Evaluation Findings

The agency has a documented process for utilizing evaluation findings for the purpose of modifying operations and/or program services.

SERVICES OFFERED

Standard # 20: Program Definition/Documentation

The agency defines mission and description of its program services and can documents for each program number of clients / and or units of services served in a calendar year.

Standard # 21: Client Advocacy

The agency provides case management, advocacy, or brokering to help insure that clients receive the assistance they need from other agencies.

Standard # 22: Service Delivery Strategy

The agency should document or explain clearly the service delivery strategy it is utilizing for each of its programs through a program logic model.



United Way
of the Midlands

Application for Agencies Seeking Partnership with United Way of the Midlands

Name of Organization

Location of Office(s)

Agency Mission

Briefly, list and describe all agency programs and initiatives. For each program, include approximations about numbers or percentages of people served in Calhoun, Fairfield, Lexington, Newberry, Orangeburg, and/or Richland County, as well as clients served outside the Midlands.

United Way of the Midlands
Standards for Certification/Recertification
DOCUMENTATION CHECKLIST

Meets/Does Not Meet	Standard	Evidence/Checklist
	<u>Standard # 1:</u> Incorporation, Not-For-Profit Status, IRS Tax Exemption	Current Internal Revenue Service 501-C determination letter
	<u>Standard # 2:</u> Secretary of State's Office Registration	Current charitable registration letter from the South Carolina Secretary of State's Public Charities Section or a current letter stating the organization is exempt from registration.
	<u>Standard # 3:</u> Non-Discrimination	Policy on non-discrimination. May be found with personnel policies Board's current diversity plan.
	<u>Standard # 4:</u> Governance Structure The organization must have and operate in accordance with at least the following governing instruments: 1) Articles of incorporation, 2) Charter, by-laws, and 3) Personnel policies.	Articles of incorporation. By-Laws. Personnel policies
	<u>Standard # 5:</u> Active Governing Body The organization must have an active governing body of at least nine members that : 1) Establishes policies 2) Meets at least quarterly, with a quorum 3) Supervises a chief administrative staff, paid or volunteer 4) Has a membership rotation policy 5) Has term limitations 6) Approves and monitors agency budgets 7) Has a plan for membership diversity	Board of Directors list that includes mailing address, phone number, the date in which term of service ends, and employer if available. By-laws Board meeting minutes for the last 12 months. By-laws By-laws Meeting Minutes Sample of a typical Board meeting packet By-laws
	<u>Standard # 6:</u> Issue / Need	A statement which details what vital human service need or problem the agency meets in Calhoun, Fairfield, Lexington, Orangburg, Newberry, or Richland County. Include data and other information which would indicate the severity of the need or problem Annual Report

	<p>Standard # 7: Program Operations The organization has provided program services for at least one year</p>	<p>A short description of each of your programs which have been providing services for at least one year. Include information on which of the counties above are served. By-laws Annual Report</p>
	<p>Standard # 8: Audited Financial Statements 8.1: A.I.C.P.A. Guidelines The organization prepares financial statements in accordance with American Institute of Certified Public Accountants guidelines as evidenced by the following 1) An annual audit is done by a certified public accountant who is independent of the organization 2) The audited statements are prepared on an accrual basis 3) The audit contains all of the required statements (financial position, activities, and cash flow)</p>	<p>Current independent audit as applicable.</p>
	<p>8.2: Unqualified Opinion</p>	<p>A copy of the management letter which came with your audit.</p>
	<p>8.3: Review by Governing Board</p>	<p>If not included in the Board minutes, submit evidence that your audit was reviewed by your governing Board. Standards require that accountant review with board or committee</p>
	<p>8.4: Operating Units/Associated Organizations Audit a) Organizations that are operating units of another organization and submits national or regional audited financial statements, must also submit: <ul style="list-style-type: none"> • Auditor's confirmed local financial statement letter • Local year- end Profit and Loss report b) Organizations must submit a copy of audits prepared separately for foundations or other entities that raise funds for the organization</p>	<p>Parent corporation audit. Local financial statement letter Year-end Profit and loss Report Copy of the current independent audit, management letter, and form 990's for all such organizations.</p>
	<p>Standard # 9: Operating Budget</p>	<p>Current Board-approved budget</p>

	<u>Standard # 10: Interim Financial Reporting</u>	Sample of a typical Board meeting packet
	<u>Standard # 11: Support Service Expenses / Latest 990</u> Support service expenses make up 25% or less of the total expenses for the year.	Federal form 990. Note: If operating as a division, branch or satellite of a parent corporation attach a copy of the current parent corporation Federal form 990. If filing the 990 EZ, complete also complete pages 1 and 2 of the Form 990
	<u>Standard # 12: Staffing</u>	Organizational chart
	<u>Standard#13: Electronic Communications</u>	Email address
	<i><u>Standard # 15: Operating Plan/Strategic Plan</u></i> <i>The agency has both a written annual operating plan and a strategic plan.</i>	
	<i><u>Standard # 16: Organizational Evaluation</u></i>	<i>The agency has a mechanism for program result self-evaluation or outcomes evaluation by an internal or external source every year.</i>
	<i><u>Standard # 17: Client Satisfaction & Input</u></i>	<i>The agency has a system for determining client complaints and satisfaction with service.</i>
	<i><u>Standard # 18: Client Complaints</u></i>	<i>The agency has a system for handling client complaints about services.</i>
	<i><u>Standard # 19: Utilization of Evaluation Findings</u></i>	The agency has <i>a documented process</i> for utilizing evaluation findings for the purpose of modifying operations and/or program services.
	<u>Standard # 20: Program Definition/Documentation</u> The agency defines mission and description of its program services and can document for each program number of clients / and or units of services served in a calendar year.	Annual Report.

	<i>Standard # 21: Client Advocacy</i> <i>The agency provides case management, advocacy, or brokering to help insure that clients receive the assistance they need from other agencies.</i>	
	<i>Standard # 22: Service Delivery Strategy</i> <i>The agency should document or explain clearly the service delivery strategy it is utilizing for each of its programs through a program logic model</i>	
	Standard # 23 Compliance with Patriot Act	Counterterrorism Compliance Form

NOTES:

KEY

BOLD statements = documents that UWM annually collects for its record-keeping in the spring.

Bold italics= topics for discussion