



#### IV. Standard Criteria and Investment Policies

##### **Standard Criteria**

As mentioned earlier, partners could include a wide range of organizations. What follows are criterion that will guide United Way's decision-making when considering partners. This criterion is intended to be flexible enough to include grassroots organizations.

##### Leadership and Community Presence

The organization is transparent, accountable and positively viewed in the community.

- A *clear vision* of the social change they want to make and commitment to building and maintaining a viable organization to achieve that vision, as evidenced by:
  - Mission, vision and values
  - Strategic plan
  - Demonstration of a clear connection to the community it serves
  - Licensure, accreditations, awards and/or other independent recognitions of quality
- An *engaged governance body*, as evidenced by:
  - A board that is structured in a way that makes sense for the governance needs of the organization
  - Documentation that demonstrates an involved and engaged board
  - Recruitment practices that result in a diverse group of members with skills and expertise important to the organization
  - Members who contribute resources and knowledge, with a goal of 100% board giving
  - Working relationships between Senior Management and Volunteer Leadership that show positive, mutual regard and respect
- *Staff leadership capability*, as evidenced by:
  - A CEO and leadership team with the qualifications to run the organization and maintain a good reputation in the community
  - Ability to attract, develop and retain qualified staff
  - Demonstration of employee giving to the organization

##### Capacity to Deliver on Outcomes

The organization regularly measures its performance against a clear set of goals.

- Is *innovative, resourceful, and results-oriented* in solving a specific social problem as evidenced by:
  - Engagement in continuous learning to achieve its goals/vision
  - Active participation in creative partnerships, network and/or collaborative activities
  - Maintaining an active awareness of "best in class" practices within its field and/or drawing on best thinking from non-traditional sectors
  - Demonstration of public policy and advocacy activities to promote constituent, organizational and sector interests
- Core strategies advance the UWSEM *Agenda for Change*, as evidenced by:
  - Alignment with established outcomes and criteria within the investment plans under Educational Preparedness, Financial Stability, or Basic Needs
  - Demonstrated success in tracking and reporting impact, which accurately measures organizational performance against stated objectives

##### Sound Financial Management

The organization is a responsible steward in managing its financial resources.



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- Demonstrates compliance with all local, state and federal legal requirements related to financial matters
- Demonstrates an effective and proven revenue development strategy, as evidenced by:
  - Diversified contributed income, as well as earned income (if appropriate) compared to the organization's expenses
  - Revenue goals that are realistic based on the economy and past experience
  - Active involvement of the board in the organization's revenue goals and activities
- Demonstrates *resources are used efficiently*, as evidenced by:
  - Board review and approval of an annual budget for the organization
  - The CEO and senior management understand the financial aspects of the organization
  - The CEO and senior management conduct environmental scans to actively capitalize on financial opportunities and minimize financial risk throughout the fiscal cycle
  - Appropriate income streams and a realistic budget that adequately covers core operating costs.
- The organization is stable and viable, as evidenced by:
  - A track record of growth
  - Working capital ratio appropriate for its size
  - Positive net assets

## Standard Investment Policies

### Investment Policy

- United Way may elect not to fund or advance any applicants with known management, fiscal, reporting, program, or other problems that make it unlikely that they would be able to meet the deliverables aligned against the 10 year goals.
- All funding decisions are made at the discretion of UWSEM Board of Directors based on recommendation of volunteer and/or staff committees.
- UWSEM reserves the right to reject any and all programs, in part or in whole; to negotiate with applicants and to award funding to those programs deemed most likely to contribute to the success of the *Agenda for Change*.
- Being invited or submitting a request to partner is not a guarantee of funding

### Performance Measurement & Accountability Policy

The focus of all UWSEM resources will be on the achievement of the 10 year goals. Simply stated, the focus is on the work. That said, all partners will be held accountable for specific deliverables. In some instances, investment resources will not be released if deliverables are not met. Targets and supporting documentation will be determined based on strategy. Reporting timeline will vary on strategy.

Investments are contingent on the partner's ability to:

- Meet and report out on deliverables when requested.
- Provide documentation as requested:
  - Organization-wide budget
  - Interim financial reports
  - Annual audited financial statements and letter from the end of the most recent fiscal year
  - Most current IRS Form 990 if available (for organizations with budgets over \$25,000)