



United Way of Northeast Mississippi

Funds Distribution Policies and Procedures

Revised 08/11

UNITED WAY MISSION

United Way is a locally based voluntary effort, whose mission is to create opportunities to improve people's lives in the communities they serve.

To accomplish this mission, volunteers:

- ◆ Raise funds for a wide variety of health and social services
- ◆ Distribute these funds effectively, based on the community's needs
- ◆ Help plan, develop, and coordinate health and social programs
- ◆ Communicate with the public to broaden the understanding and knowledge of human service needs and the resources required to meet those needs

FUNDAMENTAL PRINCIPLES

United Way has a process for allocating funds based upon several principles:

- ◆ Funding decisions are made by citizen volunteers
- ◆ Agencies receiving support must be held fiscally accountable
- ◆ Funds should be awarded with fairness and impartiality

With these principles, donors know their money is not being wasted, citizens have an opportunity to participate and make decisions, and agencies feel that they will be treated fairly. These basic principles provide the basis for confidence and pave the way for continued donor support.

AGENCY QUALIFICATION AND FINANCIAL REQUIREMENTS

1. Agencies must pass the United Way of Northeast Mississippi certification process.
2. There must be a need for the services being provided by the agency, which do not unnecessarily duplicate services by any existing agency of the United Way of NE MS.
3. Agencies should be declared tax exempt under the provisions of 501(c) 3 of the Internal Revenue Code as a non-profit corporation.
4. The agency must comply with the United Way nondiscrimination certification and sign an Agency Agreement.
5. There should be a functioning local Board of Directors, which meets at least quarterly, has a member rotation schedule, and represents the diverse elements of the community. A board shall be a Local Board if seventy-five percent (75%) of the individuals serving on the Board are residents of, or primary business or employment is in the United Way's of NE MS Service Area. Board members should not receive financial remuneration from the program.

If the agency's governing body is outside the United Way of NE MS service area;
There must be no less than 5 people who are residents of or are employed in United Way of NE MS service area serving on the agency board or no less than 5 people must serve on a local advisory board and have authority to decide how local funds are spent.

6. There should be a definite budget, itemizing income and expense. All funds granted by United Way of NE MS must be spent on local program costs, operating expenditures, or local administrative costs, not for capital expenditures. The agency shall operate within its original approved budget and notify United Way of NE MS of any budget changes during the current year that would substantially affect program services.
7. It is essential that the agency funding request have approval by the agency's Board of Directors before submission to the Funds Distribution Committee. If the agency's governing body is outside the United Way of NE MS service area, and has a local Advisory Board the request must also be approved by the Advisory Board.

DESIGNATIONS

While the United Way of NE MS does not encourage designations, it recognizes that some donors may choose to designate their contributions to a specific agency. These designations will be added to undesignated funds to arrive at the total amount an agency will receive.

Individual donors giving \$10,000 or more annually may designate any amount over \$2,500 or corporations giving \$25,000 or more annually may designate any amount over \$10,000 to specific United Way of NE MS agencies with no administrative fees. The designations to the agencies will be paid as the pledge is paid to prevent any loss to United Way of NE MS.

Designations other than those listed above will be credited to the agency of the donor's choice and appropriate fees will be withheld.

The fiscal year in which all agencies will receive United Way of NE MS funding will be from January 1st through December 31st.

REVIEW AND APPEALS

The Funds Distribution Committee is responsible for reviewing the programs and budgets of participating agencies. A recommendation is made to the United Way of NE MS Board of Directors regarding the amount of funding for each participating agency. The ultimate decision on funding level rests with the United Way of NE MS Board of Directors.

A participating agency may request in a timely manner an appeals conference regarding its allocation, to present information and documentation which justifies the appeal.

TERMINATION OF PARTICIPATION

An agency may withdraw from participation in the United Way of NE MS by providing written notice to the United Way of NE MS Board of Directors.

To terminate an agency, the United Way of NE MS Board of Directors must communicate in writing the reasons for termination to the governing board of the effected participating agency. The agency may appeal with a written notice from the agency's Board of Directors within thirty days of the termination notice.

Agencies grandfathered as exception to the board membership requirement are: Big Brothers Big Sisters, Girl Scouts, and Harden House.