

## Community Investment Policy

### Purpose and Scope

United Way Cape Breton (UWCB) is committed to ensuring high-level oversight of all donor dollars invested into the community. The Board directs management to develop an annual Community Investment Strategy that outlines a combination of agency, programmatic and collaborative investments, accounting for all forms of donor-raised dollars and donor supported initiatives in accordance with the budget approved by the Board.

The Board, through its processes and standing committees, further directs management to develop, maintain and assess high standards for fiduciary and impact reporting. Management is also directed to identify community needs, set priorities and ensure quality control.

This Policy applies to ALL funds invested into community by UWCB. UWCB supports and invests in agencies and partners serving the human services sector, addressing the needs and community issues of our most vulnerable Cape Bretoners, aligned with our three focus areas (From Poverty to Possibility, All That Kids Can Be, and Strong Communities).

### Definitions

#### Community Impact Framework

1. Programmatic Investments

Focused on a specific issue and need for change that are delivered by individual service providers and use intentional, research based designs

2. Collaborations: (2 types)

- System Level Collaboratives targeted at influencing systems and policy change at sector, municipal and provincial government levels
- Individual and Community Level Collaboratives targeted at social issues affecting individual populations or communities

#### Community Response Funding:

The purpose of the Community Response funding is to assist new and innovative programs for current funded programs and non-funded programs that address human/social needs. Funding under this program cannot exceed \$5,000.00 per application. Distribution of funds with regard to timing and amount will be determined by the United Way Cape Breton Board of Directors.

## **A. Advancing United Way's Purpose**

1. The Five-year Community Impact Plan and the annual community investment process must demonstrate alignment to the Board approved Strategic Plan. UWCB endorses investments that are timely, effective, and impactful and that address identified community priorities and needs.
2. The annual community investment process is to reflect a variety of investments that will result in outcomes and achievements in all four categories of the Community Impact Framework, addressing short and long-term needs and creating impact at the individual, family and community level.
3. The Board relies on its Community Investment Committee to bring a corporate and a community lens to all discussions of community impact and community investments.
4. The Board is committed to being a catalytic force for excellence, innovation, and community-level change.

## **B. Eligibility and Qualifications of Partner Organizations**

1. Funding from UWCB is only accessible to agencies registered with Canada Revenue Agency as a charitable organization. However, non-registered charities may be eligible to access funding streams if partnered with a registered charity
2. UWCB will ensure that the reputation and standing of all partner organizations which it funds or with which it collaborates, appropriately align with those of UWCB.
3. UWCB will develop and implement appropriate review mechanisms to ensure that the fiduciary, reputational and fiscal practices of partner organizations meet UWCB's expectations.
4. Investment decisions are made with a framework of 10 basic criteria. An investment:
  1. Aligns with UWCB focus areas
  2. Addresses policy, systems or institutional change
  3. Engages and mobilizes community
  4. Addresses community need
  5. Addresses underlying causes of social issues
  6. Demonstrates community support
  7. Demonstrates impact
  8. Exhibits excellence in performance and leadership
  9. Exhibits strong governance
  10. Demonstrates need for UWCB funds
11. Registered Canadian charities operating local programs may apply for UWCB support. UWCB does not fund:
  1. Hospitals
  2. For-profit groups
  3. Political parties
  4. Religious Activities

5. Capital expenditures
6. Individuals
7. Deficit funding
8. Research initiatives
9. Fundraising organizations (*pledge-driven organization, fundraising is main activity*)

### **C. Accountability and Impact**

1. All financial investments shall be appropriately monitored and measured for expected impact through a variety of review processes.
2. The standing and capacity of all partner organizations shall be routinely assessed to ensure that UW's ability to drive impact will not be compromised.
3. UWCB has the right to discontinue funding or recover funds that are not being utilized as intended, when it has been identified potential for investment risk. Both UWCB staff and board members are involved in any decisions.

### **D. Sustainability**

1. UWCB will ensure that all funding contracts explain that such funding is always subject to funds being available.
2. Wherever possible and appropriate, UWCB will work in concert with other funders to leverage impact.
3. UWCB does not increase funding in the event another funder has decreased or withdrawn funding.
4. Where initiatives are funded through restricted donor grant streams, UWCB shall ensure that appropriate transition is planned at the end of such funding to ensure, where possible, that long term benefits are sustained.

### **E. Research and Advocacy**

1. While research is a necessary part of establishing effective impact strategies, UWCB shall at all times ensure that such research is targeted toward sustaining positive impact in the lives of Cape Bretoners in alignment with the Board approved Strategic Plan.
2. UWCB shall at all times, in any investment, maintain a non-partisan position around the issues it is addressing. Accordingly, any advocacy aimed at addressing these issues shall not support, detract from, or otherwise attempt to influence the public's attitude to any elected representative or public official.

## **F. Financial Control and Risk**

1. UWCB Board shall direct management to present an annual budget for all community investment funding, for its approval. Prior to approval it should be demonstrated that the organization has sufficient funds to meet the obligations of the annual budget.
2. Any investment that causes the total of all investments to exceed that approved in the annual budget shall require sanction of both the Community Investment Committee and the Finance Committee before being brought before the Board for approval.
3. UWCB obtains funds that are restricted by donors for payment to other charities (donor choice). To the extent that such restriction applies to any charity which UWCB funds, UWCB shall assess whether such restricted funds provide reason to modify any intended funding to such charities.
4. UWCB shall ensure that all funds invested are appropriately accounted for.
5. At all times, UWCB shall ensure that funds used for community investment purposes are able to meet public scrutiny and that any outlay of funds will not result in damage to UWCB's reputation.
6. UWCB shall ensure that any funds invested which are not used for the purpose intended are, within an acceptable period of time, returned to UWCB.
7. All funding commitments are subject to the availability of Board-approved funds.

## **G. Reporting on Community Impact**

1. The Board directs management to provide fiduciary and impact reports to the Community Investment Committee and the Board and an annual Community Impact Report to the Board and community.
2. UWCB requires reporting from all funded programs and collaborations through an electronic format by February 28, annually.
3. All public reporting, publicity and campaign materials are derived from the Community Impact Report created by the Community Investments ensuring the use of confirmed data results. This report is built from the data submitted by funded programs and collaborations, synthesized for authenticity and impact.

## Appendix A: Guidelines For Programs Applying For United Way Cape Breton Community Investment Fund

### Guidelines For Programs Applying For United Way Cape Breton Community Investment Fund

**1) Has your organization filed a T3010A in the last fiscal year?**

Organizations seeking United Way Cape Breton funding must have filed a T3010A in the last fiscal year.

For information about T3010A, please visit the Canada Revenue Agency website:

<http://www.cra-arc.gc.ca/E/pbg/tf/t3010/>

**2) Does your organization have appropriate insurance coverage (liability, board)?**

Organizations seeking United Way Cape Breton funding must have appropriate board and liability insurance coverage. Proof will have to be submitted with application.

**3) Does your organization have a duly elected and representative, local governing Board of Directors?**

Organizations seeking United Way Cape Breton funding must adhere to the following board governance standards provided by Imagine Canada: Governance: - The board is comprised of no less than 3 (but preferably 5 or more) directors, a majority of whom must be at arm's length to each other, to the most senior staff person and/or other management staff. No employee may be a director. - The board holds a sufficient number of meetings annually to ensure appropriate direction and oversight of the organization's activities. At minimum, the board should hold two meetings per year at which the agenda is not restricted to a specific issue or issues (e.g., appointment of officers). - No member of the board is entitled to receive, either directly or indirectly, any salary, wages, fees, commissions or other amount for services rendered to the organization in their capacity as a director.

For more information, please visit Imagine Canada board governance standards:

<http://sectorsource.ca/standards/standards-section-a-board-governance>

A list of the board of directors, with current occupation will be required during program application submission.

**4) The most senior staff person (paid or volunteer) reports to the board and has a written job description or terms of reference. Organizations seeking United Way Cape Breton funding must adhere to the following board oversight standards provided by Imagine Canada: Oversight: - The board is accountable for the recruitment and orientation of the most senior staff person in the organization. - The most senior staff person (paid or volunteer) reports to the board and has a written job description or terms of reference.**

For more information, please visit Imagine Canada board oversight standards:

<http://sectorsource.ca/standards/standards-section-a-board-governance>

**5) Does your organization maintain an adequate and accurate system of accounting and internal fiscal controls?**

Organizations seeking United Way Cape Breton funding must adhere to the following financial accountability standards provided by Imagine Canada: Financial Accountability: - Organizations must complete annual financial statements in accordance with an acceptable accounting framework as identified by the Canadian Institute of Chartered Accountants (CICA)- Organizations with over \$1 million in annual revenue must have their financial statements audited by a public accountant in good standing with the Chartered Professional Accountants of Nova Scotia. Smaller organizations may submit a Notice to Reader, provided there is a professional accountant on their board of directors. -

The organization's financial statements must be received and approved by the board and released within 6 months of year-end. - The board approves the annual budget and has a process to monitor the organization's performance in relation to the annual budget. - The board or a board committee reviews actual revenues and expenses versus budget at least twice a year.

For more information, please visit Imagine Canada financial accountability standards: <http://sectorsource.ca/standards-community/standards-reference-guide/standards-section-b-financial-accountability-and-transparency>

**6) Is your organization looking for core funding?**

**United Way Cape Breton does not provide core funding. Core funding** refers to financial support that covers basic “core” organizational and administrative costs of an organization, including salaries of full-time staff, facilities, equipment, communications, and the direct expenses of day-to-day work. If you are applying for core funding, you will not qualify for funding.

**7)** United Way Cape Breton recommends submission of a letter of intent for funding, if an organization is requesting funding for a new program. This letter will help both the funded program and United Way Cape Breton better understand if the program is an appropriate fit. A template is available upon request. United Way Cape Breton will not accept late submissions. If follow up is required after application submission, one week will be allotted to submit required information.

**8)** Each funded program planning to apply for funding must attend an application training session.

**9)** Each funded program will be required to provide program updates (via e-CImpact software-United Way Cape Breton's Community Investment Fund application software program) before each installment is sent to make sure the program is on track to succeed (*Each funding installment will be sent upon completion of the document. Should the program be experiencing challenges, a plan will need to be submitted for steps that will be taken to allow for program correction in order to achieve outcomes*).



- 10) United Way Cape Breton prioritizes funding based on the strongest needs of local community members. Currently, Cape Breton's most pressing issue is child poverty.
- 11) Wherever possible and appropriate, United Way Cape Breton will work in concert with other funders to leverage impact.
- 12) Each funded program will be expected to provide the tools they use to display community impact.
- 13) **Does your organization do additional fundraising?**  
If so, United Way Cape Breton needs to be made aware when a funded program has a fundraising initiative where you solicit someone who is a major donor for United Way Cape Breton. Sharing this information will help all parties manage the relationship with donors in an effective and efficient manner.
- 14) It is United Way Cape Breton's expectation that each funded program, send a minimum of one volunteer to at least one of our special events (INSERT EVENTS AND ACTIVITIES THAT ALIGN WITH FUNDING CYCLE DATE).
- 15) United Way Cape Breton has the expectation that funded programs will help with promotion and publicity of United Way Cape Breton's mission. We ask that each funded program allow a cheque presentation photo to be taken; to use United Way Cape Breton's logo (we will provide it) where applicable; to like and follow United Way Cape Breton on social media (Facebook & Twitter); to provide updates of events, etc. from your organizations so we can promote and share on our social media platforms.



Appendix A: Partnership Agreement

**Partnership Agreement**

On behalf of \_\_\_\_\_,  
Name of Organization

I agree to adhere to the Supplementary Fundraising Policy.

I agree to have a photo of the cheque presentation to our organization published.

I agree to promote United Way Cape Breton positively in our Community.

I agree to have a representative from our organization work at one of United Way Cape Breton's Special Events.

I agree to provide evidence of positive community impact directly related to programs funded by United Way Cape Breton. I have attached a copy of the tools that are being used to measure and evaluate our programs.

I agree to provide program stats via e-CImpact application software, at the beginning of the program (during application submission), mid-way point and end of program.

I have read thoroughly and understand the new policy and procedure's manual regarding programs application.

\_\_\_\_\_  
Board President (please print)

\_\_\_\_\_  
Board President (signature)

\_\_\_\_\_  
Executive Director (please print)  
(signature)

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Date



## Appendix B: Letter of Expectations (Funded Program)

INSERT CURRENT MONTH/YEAR

**INSERT NAME OF ORGANIZATION**

To Whom It May Concern,

Congratulations on receiving funding from United Way Cape Breton Community Investment Fund. As you know, we no longer have "Member Agencies" but Funded Programs. The funding request for your program(s) has been approved for:

**INSERT PROGRAM NAME(S) & AMOUNT(S)**

The funding amount is based on responses provided by the applicant (online application) and the criteria set forth by our evaluation tool. United Way Cape Breton, each year, prioritizes funding based on the most pressing needs of our local communities. **INSERT PRIORITY(S) BASED ON YEAR AND COMMUNITY CHALLENGE(S) AND ISSUE(S).**

In addition, we are asking you to once again sign our partnership and policy agreement and return it to our office. We've updated our agreement in order to make the funding process more clear and concise and to allow for a clearer understanding of the evaluation process.

### **Core Funding**

Please note: we have updated our policy to include the clause that United Way Cape Breton will no longer be providing core funding for programs.

### **Fundraising/Advertising**

The policy will still include a section on fundraising. The main concern of our fundraising efforts is that we need to be made aware when you have a fundraising initiative whereby you solicit to someone who is a major donor for United Way Cape Breton. Sharing this information should make this process work for all organizations.

We are continually trying to communicate to donors the need for more funding in Cape Breton. Donors need to know where we are spending *their* money, so we ask that you promote the funding received from United Way Cape Breton publically. We would like to take photos presenting cheques to your organization to be shared on Facebook and Twitter as well as published in the local newspapers. Anything else you can do to help us would be greatly appreciated – like us on Facebook, follow us on Twitter, post a United Way symbol in your organization (we have some if you need them), mention us when promoting the work that you do, participate in our commercials/ video, etc.



## **Fundraising/Advertising cont'd**

We have special events and activities that supplement our campaign each year, (INSERT EVENTS AND ACTIVITIES THAT ALIGN WITH FUNDING CYCLE DATE), where we require volunteers to facilitate these events. It is our expectation that you send a minimum of one volunteer to at least one of these events. As soon as activities and events become confirmed, and a date is set, a call for volunteers will be sent via email.

## **Evaluation /Reporting/Impact**

To help better measure and display impact, each funded program will be responsible for providing program updates, so that we can ensure the program is on track to meet its intended goal. The program stats will be captured on the e-CImpact application software. Submission of program stats will be required before each installment is received to make sure the program is on track to succeed. Each funding installment will be sent upon completion program stats. Should the program be experiencing challenges, a plan will need to be submitted of steps that will be taken to allow for program correction in order to achieve desired outcomes.

Finally, the most important expectation for your United Way Cape Breton funding is demonstrating impact. For this to be evident to the donors, you must be able to demonstrate success of your program. The key to demonstrating success is to have strong tools of measurement. All of the organizations have stated in their applications that they have the ability to measure their outcomes.

Cheques will be issued in INSERT: MONTH/YEAR, MONTH/YEAR, and MONTH/YEAR. I look forward to working with you over the coming year; please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

Lynne McCarron  
Executive Director

*April 2017*