

Standards of Excellence

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UWA Mission, Vision and Values

- **Mission:** To improve lives by mobilizing the caring power of communities
- **Vision:** We will build a stronger America by mobilizing our communities to improve people's lives
- **Core Values:**
 - Commitment to community success
 - Accountability / transparency
 - Operational excellence
 - Customer-centered
 - Inclusiveness
 - Innovation / continuous improvement

Foreword

Over the past two years the United Way system adopted and embraced a new and powerful mission focused on improving lives by mobilizing the caring power of communities. By adopting the new mission, we put a stake in the ground around a new business framework and fundamentally resumed the historic role that United Way has played within our communities. Now, with our focus clearly on improving lives, we need to be equally clear as to how we will do that—our theory of change. For United Way, it has always been the case that in order to impact the most lives, we must ensure that everyone in a community acts together to change the conditions and systems that affect people. We must work on the most compelling issues that we, as community, have in common.

With our commitment clear and our direction new, we must strive for excellence in our day-to-day work. And the best way to move toward excellence is to have a clear understanding of the standard to which we aspire. What does excellence look like?

To help answer that question, United Way of America first published a *Standards of Excellence* in 1973. In fact, the early *Standards* were very useful to me as I was starting out and throughout my career. I used them like an operating manual. When I had to create and lead a campaign, shape a loaned executive program, or conduct a training program for volunteers, I took out the *Standards* and found direction. The standard was set, and I modeled my work to reach that standard. Also, very importantly, I took what I found in the *Standards* and made it my own.

The last update of the *Standards* was 1988. Since then our business has changed dramatically. Recognizing the changed landscape, United Way of America and the National Professional Council agreed to work together with many of your colleagues from local United Ways on the new *Standards of Excellence* that are outlined within the pages of this book. I believe they can guide you as the earlier standards guided me. These are the basic standards and practices that we believe will lead to excellence. These standards will provide a road map for all aspects of your work.

Think about how you engage your community around a shared vision. The *Standards* will help you. As you begin to develop impact strategies and turn them into investment products, the *Standards* will give you a framework for what they may look like. Brand management, personal relationships with investors and market segmentation provide great opportunities to involve the community in our impact work. And whether you are working to integrate or outsource your operational work, the *Standards* will help set the bar for excellence.

Over time, with your input, the *Standards* will evolve in order to maintain their relevance. Soon we will create assessment tools so that you can track your own progress and accomplishments. The *Standards* will eventually form the backbone of United Way of America's programs and services. We will create tools and curriculum around them for you to use.

And while we work together to strive toward excellence in our day-to-day work, we must be mindful that our ultimate goal is community excellence, measurable impact and improved lives. Thank you for considering how the *Standards of Excellence* can strengthen your United Way and your community. Best wishes for great success.

Brian A. Gallagher, President and CEO, United Way of America
March 2005

Intended Benefits	<p>We believe that these standards can guide your United Way, and our system, to become more effective in creating impact in communities and garnering the legitimacy, support and resources to further advance our mission.</p> <p>We hope that your United Way will benefit from the Standards in the following ways:</p> <ul style="list-style-type: none">• Staff and volunteer leaders increase their understanding of what is required and are better able to direct their efforts to succeed in accomplishing mission• Leaders have a framework to use for organizational assessment, planning and performance improvement• Staff, board members and volunteers understand and speak in a common language about United Way’s business• Partners and other stakeholders will have a better understanding of United Way’s work and desire to support it.
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Introduction

	<p>Considering the significant opportunities and continuing challenges we face with respect to our own organizations, our communities and the nonprofit sector, we believe that there is great value to us—as individual United Ways and as a system—to adopting the standards presented here. The new <i>Standards of Excellence</i> provide concrete guidance and direction as to how a United Way should operate in order to be a more effective community impact leader—and be recognized as such. By striving toward common expectations of exemplary performance and creating a common, favorable experience for our donor/investors and partners, we can collectively maximize the value of our extraordinary brand. All of us—United Ways large and small, urban and rural—and our communities stand to benefit.</p>
<p>Distinction Between Standards of Excellence and UWA Membership Requirements</p>	<p>The Standards of Excellence are aspirational and voluntary. They differ from the United Way of America Membership Requirements, which are mandatory in order for your organization to use the United Way name and trademark. The Membership Requirements were ratified in 2003 and include an annual certification.</p>

<p>How the New Standards Were Developed</p>	<p>The new <i>Standards</i> represent the evolution and integration of many other pieces of work from local United Ways and United Way of America in recent years. In particular, these <i>Standards</i> drew upon elements of the last version of the <i>United Way Standards of Excellence (1988)</i>, <i>The Essential Attributes of a Community Impact United Way (2003)</i>, and qualitative research conducted by McKinsey & Company which culminated in their report “Defining the Local United Way of the Future” (2004). The new <i>Standards</i> also borrowed from standards of practice developed by other leading nonprofit organizations.</p> <p>The new <i>Standards</i> are the product of a great partnership between United Way of America and local United Ways, facilitated by the National Professional Council. In its role as a collective voice for local United Ways and liaison between United Way of America and the field, the National Professional Council called for the overhaul of United Way’s <i>Standards of Excellence</i> to align with our new community impact mission. During the National Professional Council’s June 2004 meeting, members volunteered to co-lead the effort with United Way of America so that the <i>Standards</i> could again serve as a relevant, useful guide to help leaders implement our new business model.</p> <p>The development of the new <i>Standards</i> entailed a massive volunteer and “community engagement” effort from all corners of the United Way system. The level of collaboration between local United Ways and United Way of America was extraordinarily fruitful and perhaps unprecedented. More than 125 local United Way leaders and United Way of America staff worked intensively for six months to identify, research, develop, and draft the <i>Standards</i> based on their and others’ best thinking and experience to date.</p> <p>In addition, hundreds of United Way staff were invited to preview the evolving <i>Standards</i> and provide their input through webinars, affinity group meetings, state association meetings, and a dedicated site on <i>United Way Online</i>. Also, approximately 30 subject matter experts from leading nonprofit organizations, corporate partners and academia reviewed and provided feedback on drafts of the <i>Standards</i>.</p> <p>Finally, the <i>Standards</i> were endorsed by the National Professional Council during its December 2004 meeting.</p>
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<p>What the New Standards Are Not</p>	<p>The new <i>Standards</i> are not a one-size-fits-all regimen for all United Ways. Our perspective is that while standards—definitions of exemplary performance—are commonly applicable, not all practices may be relevant or befitting to all United Ways.</p> <p>When in doubt, take standards as ideals to strive toward, and consider and adapt the associated practices based on what is feasible and appropriate for your United Way.</p>
<p>How the New Standards are Organized</p>	<p>The new <i>Standards of Excellence</i> are organized into five components. The first two components address United Way’s core business strategies: <i>Community Engagement & Vision</i>; and <i>Impact Strategies, Resources & Results</i>. Three additional components—<i>Relationship Building & Brand Management</i>; <i>Organizational Leadership & Governance</i>; and <i>Operations</i>—represent broad organizational capabilities required to successfully implement our core strategies.</p> <p>The <i>Standards</i> define and describe an ideal—what we believe to be exemplary performance—in 34 topic areas.</p> <p>Each of the <i>Standards</i> provides associated practices, which comprise activities—what is required in order to achieve exemplary performance. In some cases, practices represent alternatives or options from which a United Way can choose. In other cases, they are integral and/or sequential—and are indicated as such.</p>
<p>Using the New Standards</p>	<p>The <i>Standards</i> can help you focus and align your organization to be more successful in accomplishing the community impact mission.</p> <p>Some of the ways we envision leaders using the <i>Standards</i> include:</p> <ul style="list-style-type: none"> • Guiding the establishment of organizational goals and priorities, and developing approaches to achieve them • Identifying competencies desired for recruitment and professional development of staff and board members • Providing orientation to United Way’s work for new staff and board members • Establishing expectations and managing performance of leaders and staff.

Looking Ahead

The new *Standards* represent our collective best thinking and experience to date—which is significant, but not exhaustive or authoritative. As we continue to learn and improve, our view of what constitutes excellence will evolve—as well as our understanding of what measures can be taken to achieve exemplary performance. Unlike earlier versions, these new *Standards* will need to be refreshed much more frequently—probably every two to three years. We invite you to try, experience, learn and course-correct with us.

Using these new *Standards* as a framework, United Way of America will focus on systematically identifying promising practices and developing products, services, tools and programs to enhance our capacity to achieve these standards of performance. We invite you to contribute your ideas and exchange promising practices through opportunities organized by United Way of America, state associations and fellow United Ways.

We hope you will join us in using the *Standards* to make your United Way—and your community—stronger and more successful.

Rob Reifsnyder, President and CEO, United Way of Greater Cincinnati and
Immediate Past Chair, National Professional Council
March 2005

Standards of Excellence At A Glance

Component 1: Community Engagement and Vision

Scope: Engage and inspire communities to create a shared vision for the future and set goals for collective action.

Standard 1.1: Knowledge of the Community

Standard 1.2: Community Engagement and Mobilization

Standard 1.3: Shared Community Vision

Standard 1.4: Public Policy Engagement

Component 2: Impact Strategies, Resources and Results

Scope: Develop strategies that will achieve measurable and lasting change in community conditions, mobilize necessary resources and put them to work to produce positive results and improve lives.

Standard 2.1: Impact Strategies

Standard 2.2: Partner Engagement

Standard 2.3: Resource Development and Mobilization

Standard 2.4: Implementation and Action

Standard 2.5: Measure, Evaluate and Communicate Results

Component 3: Relationship Building and Brand Management

Scope: Develop, maintain and grow relationships with individuals and organizations in order to attract and sustain resources to support United Way's mission.

Standard 3.1: Relationship-Oriented Culture

Standard 3.2: Market Intelligence

Standard 3.3: Segmentation and Prioritization

Standard 3.4: Active Cultivation

Standard 3.5: Unique, Positive Brand Experience

Standard 3.6: Prominent Stature and Reputation

Component 4: Organizational Leadership and Governance

Scope: Lead your local United Way to successfully fulfill its mission, and in doing so, garner trust, legitimacy and support from the local community and the United Way system.

- Standard 4.1: Mission
- Standard 4.2: Staff and Volunteer Leadership
- Standard 4.3: Governance
- Standard 4.4: Strategic and Business Planning
- Standard 4.5: Alignment
- Standard 4.6: Organizational Learning and Talent Development
- Standard 4.7: Inclusiveness
- Standard 4.8: System Citizenship

Component 5: Operations

Scope: Provide efficient and cost-effective systems, policies and processes that enable the delivery of United Way's mission-related work and ensure the highest levels of transparency and accountability.

- Standard 5.1: Strategic Back Office
- Standard 5.2: Administrative Back Office
- Standard 5.3: Cost Analysis
- Standard 5.4: Risk Management
- Standard 5.5: Business Continuity
- Standard 5.6: Facilities
- Standard 5.7: Financial Policies
- Standard 5.8: Internal Controls
- Standard 5.9: Sarbanes-Oxley Legislation (SOX)
- Standard 5.10: Public Reporting and Transparency
- Standard 5.11: Investment Policies

basic membership requirements:

Most basically, a United Way striving for excellence must comply with United Way of America's (UWA's) Membership Requirements, which are a part of the national by laws:

- (a) be recognized as exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as well as from corresponding provisions of other applicable state, local, or foreign laws or regulations and file IRS Form 990 annually in a timely manner. Annually, all Metro 1 and 2 members will submit their entire IRS Form 990 to UWA.
- (b) comply with all other legal local, state, and federal operating and reporting requirements (e.g., non-discrimination).
- (c) have an active, responsible, and voluntary governing body to ensure effective governance over the policies and financial resources of the organization.
- (d) adhere to a locally-developed and adopted diversity statement to ensure volunteers and staff broadly reflect the inclusiveness of the community they serve.
- (e) represent itself as a United Way in accordance with all UWA trademark standards and requirements, including those contained in the licensing agreement.
- (f) provide financial support to UWA in accordance with the agreed-upon membership investment formula.
- (g) adhere to a locally-developed and adopted code of ethics for volunteers and staff, which includes provisions for ethical management, publicity, fund-raising practices and full and fair disclosure. All Metro 1 and 2 members will submit a copy of their current code of ethics to UWA.
- (h) have an annual audit conducted by an independent certified public accountant whose examination complies with generally accepted auditing standards and Generally Accepted Accounting Principles (GAAP). Organizations with annual revenue totaling less than \$100,000 may have their financial statements reviewed by an independent accountant. Annually, all Metro 1 and 2 members will submit audited financial statements to UWA.
- (i) conduct and submit to UWA every three years a volunteer led self-assessment of their community impact work, financial management, and organizational governance and decision making.
- (j) complete and submit the annual Database 2 report to UWA by the deadline of May 15th of each year. United Ways are obligated to complete the survey to the best of their ability and enhance reporting capabilities on a go-forward basis.

- (k) complete and submit the biennial Income and Expense survey to UWA by the deadline of March 31st of every even year. Smaller United Ways (raising less than \$1 million) may choose to send in their audits and IRS Form 990s in lieu of completing the survey.
- (l) adhere to standard reporting guidelines contained in Database II Survey in reporting campaign revenue and resources generated.
- (m) adhere to the following cost deduction standards on designations:
- fees charged will be based on actual expenses.
 - Neither fundraising nor processing fees will be deducted from designated gifts originating by or from another United Way organization.

Standards of Excellence

glossary:

2-1-1: 2-1-1 is an easy-to-remember telephone number that connects people with volunteer opportunities and community services ranging from housing to health care to financial literacy. 2-1-1 centers are staffed by trained specialists who quickly assess the callers' needs and refer them for help. UWA, along with many local United Ways, is collaborating with government and other organizations to bring 2-1-1 service to communities across the nation. For additional information, go to www.211.org.

360-degree view of customers: Comprehensive view of our customers, based on information about their needs, preferences and behaviors. Collecting and using comprehensive customer information across multiple functions is vital to manage relationships, ensure favorable experiences and deliver exceptional service to customers.

Accounts payable: Monies owed for goods or services received, but not yet paid for.

Accounts receivable: Monies due for goods or services sold, but not yet collected.

Active Community Investor (ACI): Someone who cares about the community and is actively engaged in improving it. Invests \$ 500 or more per year to local charity and is active in community work (e.g., volunteering, giving blood). ACI's are our primary target audience.

Americans with Disabilities (ADA) Act of 1990: Prohibits private employers, state and local governments, employment agencies and labor unions from discriminating against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, job training, and other terms, conditions and privileges of employment. An employer is required to make an accommodation to the known disability of a qualified applicant or employee (including making existing facilities used by employees readily accessible to and usable by persons with disabilities) if it would not impose an "undue hardship" on the operation of the employer's business.

Administrative Back Office: Business support functions required of any organization, regardless of the nature of the business (e.g., human resources administration, finance, technology and procurement).

Advocacy: Efforts to influence public policy through various forms of persuasive communication to federal, state or local government.

Annual report: A document issued each year to provide current and prospective donor/investors, partners and the general public with information about your United Way's income, expenditures, activities, and accomplishments.

Agency: An organization that provides health and human services to clients.

Audit: An examination and verification of your United Way's financial records and supporting documents by a certified public accountant.

Brand: A brand is a relationship--status earned by becoming significant in the lives of its users. It is a combination of tangible and intangible attributes, symbolized in a trademark, which, if managed properly, creates value and influence.

Brand experience: The exposure and interaction a customer has with a brand (e.g., through communications, advertising, websites, events, relationships with those who work for or on behalf of United Way, transactions). A successful brand experience creates an environment in which the customer is surrounded by the positive elements attached to the brand.

Brand management: Managing the tangible and intangible assets of a brand. For the United Way brand, the tangibles are to do with the customer experience (see brand experience and Brand Value Proposition) and the intangibles refer to the emotional connections derived as a result of experience, identity, communication and interactions with people who work for or on behalf of United Way.

Brand identity: The outward expression of the brand, including its name and visual appearance. The brand's identity is its fundamental means of consumer recognition and symbolizes the brand's differentiation from competitors.

Brand Value Proposition: The promises that a brand represents to its target audience, based on the needs that the latter want or expect the brand to meet. United Way's promises to ACIs (see Active Community Investor) are that it:

- Appreciates their commitment
- Reports results
- Focuses on priorities
- Multiplies their impact.

Budget: An itemized listing of the amount of all estimated support and revenue which your United Way anticipates receiving, along with a listing of all estimated costs and expenses that will be incurred over one fiscal year.

Business continuity planning: Planning to minimize the effects of an interruption to your United Way's operations in the event of a disaster or other disruption to one or more critical business functions.

Business plan: A written document that describes an organization's objectives over a specific period of time and identifies the resource development, marketing, financial and operational activities required.

Bylaws: Rules and regulations adopted for your United Way's internal governance.

Campaign: An intensive, time-limited fundraising endeavor to meet a specific financial goal.

Capital expenditure: An expense incurred for the acquisition, replacement, modernization, or expansion of fixed assets (e.g., facilities, equipment)--generally with a useful life of more than one year, in contrast to expenses associated with day-to-day operation and maintenance.

Cash flow: The path of cash coming into and going out of your United Way. Usually presented in the form of a report that indicates all sources of cash versus all uses of cash.

Change strategy: An integrated approach to transformational change that includes three components: 1) content, or what must change; 2) people, which refers to the human dynamics that influence change or are part of it; and 3) process, or how your United Way will produce the content changes while simultaneously transforming people and culture.

Code of ethics: A written system of standards for ethical conduct. A workplace guide to support day-to-day decision-making.

Community: A group of people united by common interests and a shared commitment to act. A community may be defined by geographic location, shared characteristics, demographics, or concern for a particular issue.

Community assessment: An effort undertaken to evaluate and understand the aspirations, issues and current state of affairs in a community. The assessment could include goals, assets and needs.

Community assets: All the resources available that add value to your community (e.g. financial, human, political, economic, environmental, social and cultural).

Community economic development: A long-term process of investment, construction or other activity, governed by residents to improve the community's economic health and vitality.

Community engagement: Encouraging community members to get involved with activities that enhance community life and contribute toward developing and achieving a shared vision for the future.

Community impact: Improving lives by mobilizing communities to create sustained changes in community conditions.

Community impact plan: A plan for achieving desired results on a specific issue. It includes desired outcomes, objectives, strategies, action steps, roles and resources needed.

Community impact strategy: See impact strategy.

Community investment: Provision of finances, people, time, or energy to support a program, activity or initiative in your community.

Cost/benefit analysis: An approach that evaluates specific projects or alternative ways of using resources by estimating and comparing the costs and benefits.

Culture: The character of your United Way, comprised of values, norms and operating principles, myths, and stories. Indicators of culture, which collectively reveal your organization's personality, include: leadership style, communication patterns, decision-making styles, use of information, performance standards and expectations, norms and behaviors, symbols, etc.

Customer Relationship Management (CRM): Customer strategy and processes, supported by technology, to build customer loyalty. CRM enables an organization to identify customers, differentiate them in terms of their needs, behaviors and value, interact with them, and customize some aspect of products or services to meet their needs.

Customer segment: See market segment.

Database 2: The annual UWA survey, required of all local United Ways, which tracks the full scope of resource development efforts in the campaign and beyond.

Demographics: The description of outward traits that characterize a group of people, such as age, sex, nationality, marital status, education, occupation, or income.

Depreciation schedule: A table that shows amount of depreciation expense, accumulated depreciation, and book value for each period of time for a fixed asset.

Designations, designated gifts: A gift that includes a specific restriction made by the donor/investor as to the use of the proceeds (usually directed toward a specific agency or cause). Such a gift removes discretion from the recipient as to the use of the funds. Also referred to as an "Agency Transaction" because the recipient acts as the "Agent" in facilitating a gift from a donor/investor to a third party.

Direct service: Services delivered directly to individuals and families.

Diversity: Differences among groups of people and individuals based on factors that may include, but are not limited to: ethnicity, race, socioeconomic status, gender, exceptionalities, language, religion, sexual orientation, and geographical area.

Donor: A person making a contribution, financial or in-kind, to a charitable organization. See also investor.

Electronic Funds Transfer (EFT): Any transfer of funds (e.g., payments, collection) that is initiated by electronic means.

Eligibility screening: United Way's process to pre-qualify a community organization as a potential recipient of United Way investments. It assures legitimacy, accountability and that the organization is operating in accordance with sound nonprofit management practices.

Endowment: A fund established to provide income for the maintenance of a nonprofit organization. Endowments are generally established by donor/investor-restricted gifts and are limited in use to the purpose originally directed by the donor/investor.

Engagement plan: A written document that identifies specific goals and activities to build relationships with target audiences.

Ethics officer: An individual designated by the board as a resource to assist volunteers, employees and the public to determine the right course of action in difficult situations. This person is responsible for integrating your United Way's ethics into the decision-making processes at all levels.

Financial Accounting Standards Board (FASB): The independent agency that establishes Generally Accepted Accounting Principles (GAAP).

Fiduciary: An individual, corporation or association holding assets for another party, often with the legal authority and duty to make decisions regarding financial matters on behalf of the other party.

Generally Accepted Accounting Principles (GAAP): A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.

Generally Accepted Auditing Standards (GAAS): A set of systematic guidelines used by auditors when conducting audits on companies' finances, ensuring the accuracy, consistency and verifiability of auditors' actions and reports.

General ledger: A book of final entry summarizing all of a company's financial transactions, through offsetting debit and credit accounts.

GiftLink: A database of local United Ways and the zip codes assigned to them.

Governance: The act of setting direction for the organization, ensuring necessary resources (i.e., human, financial, relationship) and providing oversight of programs, finances, legal compliance, and values.

Impact strategy: An approach to addressing the root causes of an issue.

Inclusiveness: Enabling the representation and participation of diverse groups.

In-kind contribution: A contribution of goods or services rather than cash or appreciated property.

Internal controls: Policies and procedures taken by an organization for the purpose of; (1) protecting its resources against waste, fraud and inefficiency; (2) ensuring accuracy and reliability in accounting and operating data; (3) securing compliance with the policies of the organization; and (4) evaluating the level of performance in all organizational units.

Investment products: The desired outcome; the change that occur with the contribution of money, time or other resources.

Investor: A person making a contribution, financial or in-kind, with the expectation that their investment will generate a return in the form of measurable results in the community. See also donor.

IRS Form 990: Annual return required by the Internal Revenue Service for all organizations exempt from income tax as specified under section 501c of Internal Revenue code.

Learning strategy: A plan for helping an organization achieve specific business objectives via a coordinated approach to training, learning and/or knowledge processes.

Lifetime value: Projection of revenues expected from a customer over their lifetime.

Loaned executives: Professionals loaned by employers for a temporary assignment to a United Way project, typically as account managers during the annual fundraising campaign.

Major gift: While the level may vary within the United Way system, a major gift is generally thought of as an annual gift of \$10,000 or more.

Management letter: A proprietary letter prepared in addition to an auditor's opinion letter that outlines areas, identified during the course of the audit, where potential may exist for improvement of financial policies and procedures.

Market segment: A group of customers who share the same needs and values, can be expected to respond in much the same way to your product or service, and command enough financial power to be of strategic importance to your organization.

Membership Requirements: Set forth in UWA's bylaws, these are the necessary items each United Way must demonstrate and certify compliance with in order to remain a member of UWA.

Mindset: The worldview, assumptions or beliefs that cause people to behave and act as they do.

Mission: Your United Way's overriding purpose or reason for being (i.e., what you do, for whom, and how you are different). The United Way system's mission statement is "To improve lives by mobilizing the caring power of community."

Mobilize: To spur a group into action or to bring resources to bear.

National Corporate Leadership (NCL) program: The program through which the United Way system engages national and global corporations in pursuing their philanthropic interests.

Occupational Safety and Health Administration (OSHA): An agency of the US Department of Labor charged with assuring the safety and health of workers by setting and enforcing standards; providing training, outreach, and education; establishing partnerships; and encouraging continual improvement in workplace safety and health.

Outcome: A specified benefit or change that a deliberate action is intended to create for a defined set of people. Outcomes may be defined at multiple levels (e.g., program, system, community).

Outcome measurement: The regular, systematic tracking of the extent to which defined sets of people experience the intended benefits or changes.

Partner: Individuals and organizations with whom United Way works to achieve community impact. Generally used when referring to entities who are not investors or donors, but who are providing something else (i.e., programs, expertise, technology, connections or contacts, etc.). It includes, but is not limited to, those traditionally referred to as partner agencies.

Petty cash: A small amount of cash kept on hand by your United Way for incidental expenses.

Planned giving: A method of raising funds from substantial gifts in the form of bequests, life insurance and charitable annuities which are often, but not always, planned as donations upon the death of the donor/investor.

Pledge capture: The collection of donor/investor information, amount of donation and intent. Pledge capture typically takes place either via paper electronically.

Pledge distribution: The payment of donations to ultimate recipients (usually designated federations, agencies or other United Ways) net any fees withheld.

Pledge processing: The aggregation of donations and reporting results within and across campaigns. Activities include integration with payroll systems, acknowledging and receipting of gifts, depositing of cash and check donations, executing stock transactions and reporting results.

Program: A set of related activities and outputs directed at common or closely-related purposes.

Prospect: A prospective or potential customer.

Prevention and development efforts: Services designed to help individuals and families avoid longer-range problems and enhance the probability of leading productive, satisfying lives.

Redundancy: Duplication or repetition in order to provide alternative functional options in case of technology failure.

Reserves: Funds set aside for emergencies or other future needs.

Resources: All possible assets that can be put to work to produce positive results. They can be time, money, people, knowledge, talent, expertise, goods, services, relationships and technology.

Resource development: Procuring the necessary resources to execute community impact strategies. Frequently, this refers to financial resources (i.e., fundraising), but may also refer to the generation and procurement of other non-financial resources.

Restricted gift: A donor/investor stipulation, temporary or permanent, that specifies the use of a contribution.

Return: Income or value generated by an investment. There are many alternative measures of return, of which Return on Investment or ROI is one.

Return on Investment (ROI): The income or value that an investment generates in one year.

Sarbanes-Oxley Legislation (SOX): Legislation passed in 2002, primarily aimed at for-profit companies, which sets strict standards of governance and accountability in the interest of protecting investors, shareholders, employees, and the public interest. Portions pertain to nonprofit companies and are detailed in the Operations section of the Standards of Excellence.

Segmentation: Division of potential customers into market segments for the purpose of developing tailored communication, relationship and marketing efforts.

Service area: The geographic area within which a local United Way operates and provides value to a community, generally corresponding to the zip codes assigned by GiftLink.

Stewardship: The responsibility to wisely manage and supervise assets belonging to others.

Strategic Back Office: Functions that provide operational support of your United Way's core business activities – community engagement, impact strategies, resource development and investment.

Strategic plan: A written document that identifies a set of integrated decisions your United Way has made with respect to multi-year goals and strategies to achieve them. Decisions

include: selected priority issues on which your United Way will focus; market and donor/investor segments you will target; resources and operational capabilities needed.

Success By 6[®]: This is the trademarked name for United Way’s early childhood development initiative, the nation’s largest network of early childhood coalitions. In communities across America, business, government and nonprofit leaders come together to discern the root problems that prevent children from entering school prepared to succeed and mobilize communities to solve them. The early childhood impact work of the United Way is supported at the national level by UWA’s Success by 6[®] with technical assistance, training and resource development. For more information, go to <http://national.unitedway.org/sb6/>

System change, system reform: A comprehensive set of activities and initiatives undertaken to dramatically reconstruct or improve the way something is done.

System citizenship: The collective rights, privileges and responsibilities of membership in the United Way system.

Target audience: The market segment or group your United Way has decided to serve, and at which you aim your marketing activities, determined by answering the question: upon whom is your future dependent?

Touch-point analysis: An approach that identifies the actual points of contact and interaction between your United Way and your target audiences.

Trademark licensing agreement: The legal terms and conditions under which United Ways may use the United Way collective membership marks, trademarks and service marks of UWA, including but not limited to the name “United Way.” The license agreement defines solicitation/service area by assigned zip codes.

Transparency: Openness and candor about United Way governance and operations. Transparency is required to build trust with donor/investors, partners and the general public.

Uncollectibles: Fundraising pledges that will likely remain uncollectible and will be written off.

Unqualified Opinion: A term describing a type of opinion offered by an Independent Auditor where the auditor declares that he/she has examined the financial records of an entity in accordance with Generally Accepted Auditing Standards (GAAS) and, as a result of the examination, believes that the financial records are prepared in accordance with Generally Accepted Accounting Principles (GAAP) and do fairly represent the financial condition of the entity.

Values: Values are traits or qualities that are considered worthwhile; they represent your United Way’s governing beliefs that drive decisions and define how people behave toward each other.

Vision: A statement about what your United Way ultimately wants to have happen as a result of its efforts—and what it will become in the future. The United Way system’s vision statement is: “We will build a stronger America by mobilizing our communities to improve people’s lives.”

Visual identity: What a brand looks like (e.g., its logo, typography, packaging).

Volunteer center: A service that promotes and recognizes the benefits of volunteering in a community. It often links people wishing to volunteer with community organizations needing assistance.

Whistle blower: An employee who publicly reports illegal activities going on inside his/her organization.

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Acknowledgements

Impact Matters: United Way Standards of Excellence was made possible only because of the participation of many individuals and organizations, whom we thank for their support.

Co-Sponsors

The Standards of Excellence project was a collaborative effort initiated by United Way of America and the National Professional Council (NPC).

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Working Teams

Working teams comprising more than 125 individuals from the NPC, local United Ways and United Way of America researched, deliberated, drafted and redrafted over a period of 6 months to develop new standards of excellence. Their efforts were led by volunteers from NPC and United Way of America staff. Their contributions—of time, energy and ideas—were significant and invaluable.

To view a complete list of volunteers, please download the “Acknowledgements” Word file or download the Introduction PDF file. Both files are located on the United Way Online, Standards of Excellence webpage.

Component 1: Community Engagement and Vision

Scope: Engage and inspire communities to create a shared vision for the future and set goals for collective action.

Introduction

The transformation of your United Way around our new mission of community impact will bring powerful and relevant solutions to your community's problems. United Way provides communities the opportunity to engage in the development of a powerful vision and achieve real and lasting improvements in people's lives. Working with the community to understand its strengths and aspirations, United Way is uniquely positioned to catalyze a collective commitment to change. And, as a system, by sharing our ideas and our learnings about strengthening communities, we can bring these ideas to scale and accelerate solutions to some of the nation's most pressing social problems.

This new work is more difficult and qualitatively different than our previous work. It is the difference between providing quality shelter and food for 100 homeless people versus reducing the rate of homelessness by half over the next five years. Obviously, we cannot do this alone. It will require significant resources spent in a purposeful way over a long period of time on specific and tested strategies. It requires collaboration that leads to identification of priorities, agreement on how the problems will be solved and ultimately alignment of resources around these problems and strategies.

These standards for Community Engagement & Vision identify a range of opportunities for community involvement. United Ways must be willing to tackle tough issues and work to understand the scope and dimension of the problems we want to address. Our very understanding of "community" is broadened in the new work, as our definition is not limited by our geographic boundaries but rather including people united by common interests and a shared commitment to act. As we broaden our conception of community, we will work with and recognize existing and emerging leaders and provide multiple methods to engage their expertise and energy.

We must work with the community to create and shape a shared vision for the future. It starts with:

- Knowing the formal and informal leaders in the community, and understanding the social and economic landscape
- Listening to and learning from members of the community
- Building a commitment to act on shared goals.

This component is at the heart of community impact work. It calls the community to be engaged in creating a shared vision and committed to act to improve community conditions. Once there is a shared understanding and commitment to act, the work becomes focused on the objectives and strategies discussed in *Impact Strategies, Resources and Results*.

Effectively engaging the community requires strong foundations in relationship building, brand management and organizational leadership. Sharing best practices in community engagement and visioning can help bring success to scale across the United Way system and accelerate solutions to pressing national problems.

STANDARD 1.1: KNOWLEDGE OF THE COMMUNITY. United Way identifies, understands and engages existing and emerging communities and builds relationships with community leaders and people of influence in all sectors.

Practices:

- 1.1(a) Identifying Communities of Interest.** Identify and understand communities of interest. “Community” includes people united by common interests and a shared commitment to act. It may be based on geographic location, shared characteristics, demographics, or concern for a particular issue.
- 1.1(b) Strong Relationships with Leaders.** Build strong working relationships with existing and emerging community leaders and people of influence in communities of interest.

STANDARD 1.2: COMMUNITY ENGAGEMENT AND MOBILIZATION. United Way listens to, learns from and motivates diverse individuals, groups and sectors to better understand, become involved in and take action on priority issues.

Community Engagement and Mobilization

“Central to the process is authentic engagement with the community, in whatever way community is defined, to set agendas for community impact.” The Essential Attributes of a Community Impact United Way

Practices:

- 1.2(a) Building on Strong Relationships.** Recognize and build on our relationships with the private sector and nonprofit sector. Seek the leadership and involvement of business and nonprofit leaders in engaging, informing and building the community vision.
- 1.2(b) Engaging a Wide Spectrum of the Community.** Actively involve diverse groups who represent the community. Seek involvement from those most representative, not simply the most apparent or vocal.

United Way of Metropolitan Atlanta commits to several principles of participation and inclusion:

- Directly involve people affected by issues to decide, develop and implement solutions
- Respect and embrace differences
- Create an environment that welcomes and supports the participation of all people who want and value the opportunity to work together.

- 1.2(c) Providing a Variety of Opportunities for Input and Involvement.** Create a range of opportunities for input and involvement, which may include surveys, focus groups, community research, listening sessions, town hall meetings, and visioning sessions.
- 1.2(d) Using Community Research.** Provide research-based information in understandable formats disseminated in a variety of ways and venues. Inform the community about priority issues and possible responses. Explain how residents and community groups can create positive change in community conditions.
- 1.2(e) Connecting People to Volunteer and Leadership Development Opportunities.** Develop or support systems that encourage volunteering and community involvement on priority issues and ensure effective volunteer management practices (e.g., volunteer centers and 2-1-1). Identify, learn from and develop community leadership. Involve non-traditional or non-represented groups (e.g., youth) who are critical to your community's future.
- 1.2(f) Ensuring Community Crisis Readiness and Response.** Establish a leadership role in community planning and preparation for crisis events. Collaborate with other partners to mobilize individuals, families, vulnerable populations and human service institutions in response to crises.
- 1.2(g) Recognition.** Publicly recognize and celebrate those who give time, talent or knowledge to better the community.

STANDARD 1.3: SHARED COMMUNITY VISION. United Way and the community establish a shared vision for the future by creating a collective understanding of key community interests, aspirations, assets and concerns which represent the perspectives of diverse groups, individuals and sectors.

Practices:

- 1.3(a) Gathering Information.** Collaborate with other partners to assemble information about community conditions and suggestions to heighten understanding, awareness and dialogue about priority issues.
- 1.3(b) Sharing Information.** Support coordinated access to information on community conditions from various sources. Regularly disseminate information to the

community, including decision makers, partners, investors, local elected officials, other funding sources and the media.

- 1.3(c) Promoting Community Dialogue and Deliberation.** Participate in public deliberation by hosting or promoting formal and informal dialogues with various communities to seek diverse perspectives and identify pressing issues. Utilize a variety of techniques to ensure participation.

Greater Twin Cities United Way began their work by holding focus groups in places where people naturally congregated—churches, workplaces, schools—asking about important issues in the community.

- 1.3(d) Building a Community Vision.** Based on information and dialogue, build a shared community vision that identifies priority issues, assets and aspirations of your community.

STANDARD 1.4: PUBLIC POLICY ENGAGEMENT. Because government is a critical decision-maker and the major provider and funder of health and human services, United Way must actively engage in public policy and develop partnerships that include local, state and federal governments along with the private sector and nonprofit sector.

In reflecting upon the work of United Way of Allegheny County in Pittsburgh, President Bill Meyer notes: "Our focus on children stimulated a clamor for the public sector to recognize its responsibility and underscored to us that we have to impact the thinking of public sector leaders."

- 1.4(a) Convening Policy Briefings.** Serve as a convener of different voices in the community, fostering straightforward discussion and debate on public policy issues. Organize or participate in briefings for public officials, legislators, business leaders and the nonprofit sector to inform and shape policy related to your community's priority issues. When appropriate, serve as coalition builder and advocate.
- 1.4(b) Building Relationships with Public Officials.** Develop and maintain cooperative working relationships with current and emerging federal, state and local elected and appointed officials and their staff. Enlist the involvement of public officials on your committees and board.
- 1.4(c) Determining Public Policy Priorities.** Encourage awareness of and involvement in determining local public policy priorities to advance your community's strategies for impact. Set measurable goals which encourage and ensure the desired results.
- 1.4(d) Public Policy Infrastructure.** Establish board and staff-level responsibility for engaging with the community and formulating your United Way's position on critical public policy issues.

Component 2: Impact Strategies, Resources & Results

Scope: Develop strategies that will achieve measurable and lasting change in community conditions, mobilize necessary resources and put them to work to produce positive results and improve lives.

Introduction

United Way has a proud history of raising and distributing funds. Our new mission of community impact challenges us to take that history to new heights where the focus is on issues, strategies and the actions needed to improve lives and create lasting change in our communities. You are called to broaden your definition of resources, moving beyond just dollars and including people's time, talents, goods, and expertise. The resources to achieve amazing results for your community are all around you. You will look for and find them in new places.

Your United Way will excel in the areas of impact strategies, resources and results if you are:

- Clearly focused on the issues and actions where you have the greatest potential to achieve results and sustained change
- Aligned so that all of your critical functions (planning, resource development, community activities and investments, outcome measurement and communications) are integrated around selected impact strategies
- Inspiring hope and confidence such that your community is excited about the potential for change and people are valued participants, eager to contribute all kinds of resources to achieve the desired outcomes
- Achieving results by getting the work done, the problems solved and change accomplished to make your community a better place.

If success breeds success, then strong community outcomes and proven results will drive resource growth. In turn, resource growth will drive better results and more successful outcomes. In the future, your United Way will be viewed as the “go to” place to get things done in your community.

No United Way will be able to successfully focus on every community need. Once the community has identified issues that are most important, as described in Community Engagement & Vision, and developed strategies for how to best make change happen, then your United Way can choose where you can have the greatest impact, where your presence is most logical and natural, where you can mobilize people and resources, where you are able to measure and achieve results, and where you have a good likelihood for success. Your work will rely on a solid foundation of the other Standards of Excellence components as well.

This work will not be easy because integration and alignment around community impact is new, sometimes confusing and very challenging. The actions outlined in the standards that

follow will occur on parallel tracks and repetitive cycles, with multiple simultaneous activities building on and mutually reinforcing each other.

The critical places to start are:

- Create impact strategies and a plan for change
- Decide where your United Way will focus
- Build your relationships with key segments of donors/investors and learn their aspirations.

While much of the work is local, your United Way can look for help and opportunities to collaborate with others across the United Way system in many areas: research and best practice on community issues, outcome measurement, data management, market segmentation, research and knowledge, relationship building with regional and national donors/investors, relationship and donor data management tools, major gifts, and planned giving expertise. Working together will help make all of our jobs easier and yield optimal results.

STANDARD 2.1: IMPACT STRATEGIES. United Way and other partners engage the community in developing a comprehensive plan for impacting selected priority issues, identifying the lasting changes sought and the specific strategies needed. All those with an interest in the outcomes are included. United Way determines its role in the plan and focuses on selected strategies.

Practices:

2.1(a) Issue Prioritization and Selection. Review aspirations identified by community visioning and develop a process to select and prioritize issues.

2.1(b) Research and Development of Prioritized Issues. Define and assess prioritized issues. Informed by available research and proven practice, develop ideas for how change can most effectively occur.

2.1(c) Planning for Change. Create a plan to achieve desired results for each priority issue. Define the community's short- and long-term goals. Establish desired outcomes, objectives, strategies, and action steps. Identify who can best address specific elements of the plan.

2.1(d) United Way's Part in the Change. Understand and select those priority issues where your United Way has the greatest potential and ability to make a difference. Decide what role you will play and for what elements of the change plan you will accept responsibility. Consider an array of possible actions and investments that have reasonable potential to impact the issue, ranging from basic direct service to prevention and development efforts to system change or community education initiatives.

2.1(e) Planning for Monitoring and Measuring Progress and Results. Determine what you will measure, identify periodic milestones and plan for data collection.

2.1(f) Investment Products. Frame strategies and outcomes as solutions to community issues. Package them as products that can be marketed and linked to community and donor/investor aspirations.

Convey:

- What results your United Way and your partners in the community are committed to achieve
- The impact those results will have on the lives of individuals and the broader community
- Why now is the time the results can and must be achieved
- What specific actions are needed
- An invitation for involvement.

2.1(g) United Way Role in Non-Priority Issues. Determine your United Way’s role in the broader range of issues not selected for focus (e.g., financial support, political support, attendance at meetings, building awareness).

STANDARD 2.2: PARTNER ENGAGEMENT. United Way deliberately and actively builds quality relationships with traditional and non-traditional partners and involves them at every step of the way. United Way engages partners around priority community issues, shared strategies and corresponding resource development.

“Partnership matters”: There is perhaps nothing so needed yet so challenging to achieve as the development of high-impact partnerships. Diverse partners bring expertise, perspective, legitimacy, and resources. Partner well. Share responsibility, control and credit.

Practices:

2.2(a) Partner Identification. Identify individuals, service recipients, donors/investors, philanthropic foundations, community and neighborhood groups, and organizations from public, private, faith-based, labor, and nonprofit sectors that have an interest in priority issues and strategies.

2.2(b) Partner Mobilization. Mobilize and work collaboratively with others to define prioritized issues, establish desired outcomes, identify barriers, determine strategies, and take action. Reach out to those with specialized skills and expertise as well as others who have a special interest, idea or talent they wish to bring to the work. Measure your success in mobilizing partners.

2.2(c) Participation in Others’ Processes. Participate in collaborative efforts convened and led by others where efforts coincide with the mission and the priority issues and strategies selected by your United Way.

- 2.2(d) Respect for Partners.** Develop mutual trust and respect by valuing input from all partners. Identify specific roles based on expertise, capability and interest. Establish shared accountability.
- 2.2(e) Communication.** Whether leading or participating in a project or collaboration, ensure effective, clear and regular communication among all partners about relevant activities and results.
- 2.2(f) Partner Recognition.** Regularly and appropriately acknowledge and recognize the involvement and work of partners through internal and external communications.

STANDARD 2.3: RESOURCE DEVELOPMENT AND MOBILIZATION. United Way mobilizes the many community assets – money, people, knowledge, relationships and technology – needed to implement strategies and achieve meaningful results. United Way builds personal relationships with donors/investors, segments markets based on interests, and recognizes all contributions.

We must see the entire community as a potential source of the resources we need. It is not solely about an annual workplace fundraising campaign. Look both inside and outside for the full breadth of resources we will need to achieve our strategies – people, knowledge, relationships, technology and financial assets.

Practices:

- 2.3(a) Resource Development Trends.** Maintain knowledge of current trends and effective practices for mobilizing resources by:
 - Conducting and/or consulting research on giving trends, best practices, and investor preferences
 - Being familiar with the current economic and philanthropic environment to maximize growth potential
 - Exchanging information and knowledge with other United Ways.
- 2.3(b) Resource Development Plans.** Develop a flexible multi-year resource development plan that supports impact strategies, includes key market segments (e.g., individual donors/investors, volunteers, funders, etc.) and ensures a balanced and diverse revenue base from multiple sources.
- 2.3(c) Market Segmentation.** Target specific traditional and non-traditional audiences for support, using demographic data, giving potential, past history, and philanthropic interest.
- 2.3(d) Relationship Management Approach.** Develop personal relationships with individual donors/investors. Understand their interests and aspirations and match those interests, where appropriate, with investment products (i.e., community goals, impact strategies and associated activities). Track investments, United Way

interactions, communications, recognition, and acknowledgements. Maintain personal contact year-round through multiple channels.

- 2.3(e) Workplace Development.** View each current and prospective donor/investor in the workplace as an individual customer. Help employers understand the value and benefits of your relationship with these donors/investors and the potential for impact on community issues. Begin with knowing individuals' names, contact information and giving history.

Build and sustain relationships with various segments within the workplace (e.g., new, current and retiring employees, senior leaders, and labor members). Maintain active, targeted communications year-round.

- 2.3(f) Major Gift Research and Cultivation.** Identify prospective major donors/investors both inside and outside traditional campaign settings and market segments. Conduct activities to attract prospective donors/investors throughout the year, build relationships with them and provide opportunities for their engagement and participation. Link aspirations of prospective donor/investors to investment products (i.e., community goals, impact strategies and associated activities).

- 2.3(g) Planned Giving.** Establish a program for cultivating planned giving as a natural extension of a lifelong relationship with a donor/investor. Institute policies and procedures for the acceptance and management of a variety of planned giving options. Consider the creation on an endowment to manage planned and other gifts.

- 2.3(h) Grants.** Establish a formal grant-seeking function, including research, grant writing and grant administration to support impact strategies and achieve desired outcomes. Grant sources may be corporations, private foundations or government. Grant revenue should be an ever-increasing share of the resources that your United Way helps leverage for the community. Not all grants leveraged will flow through United Way's books, and your involvement must be accounted for in different ways.

- 2.3(i) Collaborations.** Leverage relationships and explore collaborative resource development opportunities with selected partners, groups or organizations that have a mutual interest in a priority community issue or impact strategy.

- 2.3(j) Individual, Volunteer and In-kind Resources.** Mobilize the involvement of individuals, volunteers, donors/investors, community groups, and organizations in implementing impact strategies and achieving desired results. Contributions might include time, goods, energy, talent, expertise, and in-kind resources.

- 2.3(k) Donor/Investor Recognition.** Continually recognize and thank all who contribute resources of any kind. Let them know what their contributions accomplished.

- 2.3(l) Technology.** Utilize innovations in technology to mobilize resources and impact strategies. Seek technology solutions to enhance access to grant sources, relationship-focused investor databases, efficient and profitable pledge processing

and distribution, timely and accurate campaign reporting, and online volunteer opportunities.

STANDARD 2.4: IMPLEMENTATION AND ACTION. United Way recognizes that community impact cannot be achieved through any single strategy, action or investment. United Way implements a diverse array of impact strategies and actions to achieve desired results and improve lives (beyond merely funding agencies, programs or services). In all activities, United Way strives to include those individuals most affected by an issue. United Way explores strategies that go beyond our traditional service orientation and address root causes, as well as system-level barriers and challenges.

- Do you have a strategy that:
 - Is thoughtfully mapped out?
 - Goes beyond funding direct services?
 - Will lead to lasting change in community conditions?
 - Seems reasonable and plausible?

Practices:

2.4(a) Investment in Programs and Initiatives That Produce Results. Develop and invest in programs and initiatives that align with priority issues and accomplish impact strategies. Include existing programs, new programs and special initiatives. Identify what continuum of programs, from basic direct service to prevention and development efforts to system change or community education initiatives, and what investments are needed to affect root causes and create desired results.

2.4(b) Collaboration. Convene, support, join, or lead collaborative efforts and joint projects that address priority community issues and achieve desired results. When appropriate, undertake efforts to address comprehensive system reform.

2.4(c) Donor/Individual Recruitment and Engagement. Recruit and engage donors/investors and appropriate community groups as active participants to help implement strategies and produce results.

2.4(d) Public Policy. Engage in legislative advocacy for government appropriations and changes in laws, public policies and administrative practices that promote or support desired results.

2.4(e) Technology. Utilize and leverage technology to help identify and provide information (including best practice research), improve services, garner resources, and achieve and measure results.

2.4(f) Public Education. Inform and educate individuals, donors/investors and partners about issues and opportunities to improve lives in the community. Look for ways to create new thinking, eliminate barriers, and develop the civic will and support necessary to achieve results.

2.4(g) Community Economic Development Strategies. Support community-based economic development activities to increase opportunities and enhance the economic well-being of individuals and families.

2.4(h) Research. Conduct and/or use research to better determine the extent of community problems and how various populations are affected. Use research, where needed, to help evaluate results and the effectiveness of impact strategies. Communicate findings to build public awareness, motivate action and mobilize resources.

STANDARD 2.5: MEASURE, EVALUATE AND COMMUNICATE RESULTS. United Way and its partners evaluate the effectiveness of impact strategies in order to continuously improve. They identify appropriate measures, collect and analyze results, and assess progress toward desired outcomes. Outcomes may be measured at multiple levels (e.g., programs, system and community). What is learned may cause United Way and partners to re-think, change or adjust strategies, actions and investments.

United Way regularly and transparently communicates impact strategies, activities and results to donor/investors and the community, always acknowledging the contributions of partners. Results may become part of a community scorecard to communicate progress.

Practices:

2.5(a) Outcome Measurement and Evaluation. Measure outcomes, recognizing that it is difficult and results often take time to emerge. Collaborate with others and commit resources, training and technical assistance to assist your community and community organizations with outcome measurement. Periodically review near, medium and long-term goals and strategies in light of your evaluation results and make adjustments as needed.

United Way of Greenville County's Success By 6[®] prepares an annual status report for "The Greenville County Child Care Initiative" to communicate progress toward achieving its community goals. The report includes aspirations, accomplishments, yearly trends and community changes in the four goal areas of quality, availability and affordability, stakeholder education, and public policy. It also addresses the status of each goal (better, worse or unchanged). Success By 6[®] and partner affiliates then use the data from the report to determine which strategies are working and which may need course correction.

2.5(b) Integration and Communication of Community Impact Messages. Effectively integrate and communicate clear and concise community impact messages -- outcomes, strategies and investments -- in your materials, presentations and special events. Tailor information to target audiences, communicating what they want and need in an appropriate format and at the right time. Report on progress toward goals and success achieved.

Component 3: Relationship Building and Brand Management

Scope: Develop, maintain and grow relationships with individuals and organizations in order to attract and sustain resources to support United Way’s mission.

Introduction

United Way’s ambition and potential to be a leader in community impact makes it imperative, more so than ever before, that we collectively embrace relationship building and brand management approaches that create a consistent, positive experience for our customers.

Our brand—any brand—is but a relationship; nothing more, nothing less. Like good human relationships, good brand relationships require authenticity, consistency in what we say and do, interaction rather than one-way communication, responsiveness, and integrity.

There is no question that your United Way must be doing community impact before it can be known and recognized as such. However, once your United Way has started to create impact, you must help current and potential customers understand and experience your United Way as a community impact leader.

We call the promise and delivery of this experience our Brand Value Proposition, which conveys to our primary target audience that United Way:

- Appreciates their commitment
- Focuses on priorities
- Reports results
- Multiplies their personal impact.

By building strong relationships and creating a common, favorable experience for customers, your United Way can tap into a groundswell of potential support and resources to enable you—and the United Way system—to achieve even greater impact. Consider this: branding experts have valued the United Way brand at \$34.7B, which puts it among the top five global brands in terms of ability to attract revenue. By managing the brand to create a common positive experience, we can help our target audiences—wherever they are located, as they move from community to community—understand that supporting United Way is the best way to make a difference in communities. Managing the brand in this way will sustain and enhance its value and enables all of us—regardless of size or geographic location—to benefit equally.

Creating a more powerful brand will require us to shift our culture and mindset to center on relationships rather than transactions with customers. This shift begins with:

- Knowing who your donor/investors are (i.e., getting their names). There is nothing more important.
- Prioritizing your efforts. Avoid trying to be all things to all people, but rather, focus on your active community investors and what matters to them.
- Getting consistent with the United Way brand identity and the ideal brand experience. Adopting the brand identity guidelines as soon as possible enables your United Way to tap into readily available resources from UWA and direct your own efforts and resources to the donor/investor experience.

Once your United Way—and a critical mass of others—have adopted some of the basic practices, we as a system must strive to acquire the capability and common data management systems to share donor/investor information. Only by doing so can we truly become “world class” in relationship building—and in achieving greater impact in communities.

STANDARD 3.1: RELATIONSHIP-ORIENTED CULTURE. United Way culture (i.e., norms, values and work practices) supports building relationships that help achieve its mission.

Practices:

3.1(a) Relationship Champion. Designate a senior staff person as the “relationship champion”—the activist in creating an environment in which volunteers and staff become extraordinary stewards of relationships between your United Way and your investors and partners (e.g., individuals, corporations, foundations, labor, agencies, government groups and elected officials, civic groups, faith groups, media, neighborhood associations).

3.1(b) Information, Training and Tools. Provide volunteers and staff with the information, training and tools that allow them to develop, maintain and grow relationships. Examples include database and tracking techniques, communications and “touch-point analyses” (to identify the actual points of contacts and interactions between United Way and your target audiences).

3.1(c) Accountability. Build accountability for relationship building and brand management into job descriptions, performance reviews and rewards.

After conducting a rigorous touch-point analysis across the entire organization, one local United Way discovered that the department with the most frequent contact with investors was not campaign or marketing but finance, as they handled payment or processing problems that could be turned into relationship-building opportunities.

STANDARD 3.2: MARKET INTELLIGENCE. United Way collects, analyzes and uses critical information about the market and target audiences, in order to better respond to market trends and customer requirements.

Practices:

3.2(a) Market Research and Analysis. Know what matters to current and prospective donor/investors and volunteers. Identify the strengths and weaknesses of competitors and partners.

3.2(b) Comprehensive View of Investors and Partners. Gather information that provides a “360-degree view” of current donors/investors, potential donors/investors and partners (e.g., giving history, special areas of interest, communication preferences, interactions with staff and volunteers). Use this information to design marketing strategies and execute campaigns. Use and integrate appropriate technology to manage information.

“Do you know me?” Begin by collecting basic contact information on current individual investors. Eventually, staff and volunteers know when an individual was last contacted, what goal or initiative s/he might invest in based on interests, and which events s/he will prefer to attend. If a Tocqueville member lives in two communities, the way to get the most from that relationship is for both United Ways to share the data, customer view and responsibility for managing the relationship.

3.2(c) Metrics. Set goals and measure progress in retaining and growing existing investors and acquiring new ones (individuals, companies, foundations).

STANDARD 3.3: SEGMENTATION AND PRIORITIZATION. United Way identifies and prioritizes key customer segments and partners to build relationships important to achieving community impact goals.

Practices:

3.3(a) Donor/Investor Segmentation. Segment and prioritize donor/investor groups, taking into consideration projected “lifetime value” (i.e., the projected revenues expected from a customer over his/her lifetime). Segmentation approaches might include demographics (e.g., age, gender, ethnicity), industry sectors (e.g., retail, banking), size (e.g., revenues, number of employees), channels (e.g., workplace, Internet) or areas of community focus or interest (e.g., children, homelessness).

3.3(b) Prospect Identification. Identify prospects with the most potential for future growth. Consider lapsed investors, prospects who share characteristics of your current best customers, and untapped or under-tapped ethnic and age groups.

3.3(c) Partner Prioritization. Identify which community partners are most valuable in implementing impact strategies and achieving community goals. Allocate resources to build these relationships accordingly.

3.3(d) Active Community Investor Focus. Focus efforts on your active community investor—someone who wants to make a difference in the community and is actively engaged in doing so. These are our best customers, partners, and prospects because they share our passion for community.

STANDARD 3.4: ACTIVE CULTIVATION. Your United Way actively cultivates, maintains and grows key relationships to increase loyalty and convert ambivalence or inertia, where it exists, to passionate support.

Practices:

3.4(a) Strategic Engagement Plans. Customize year-round action plans for building relationships with your target audiences. Consider your return on investment to achieve specific goals for each key investor or partner group.

STANDARD 3.5: UNIQUE, POSITIVE BRAND EXPERIENCE. United Way aspires to be the ideal partner for people who want to make a real difference in the community. We deliver results, engage, communicate, and create a consistent brand experience for our corporate and individual investors and key partners.

When you walk into a Starbucks anywhere in the country, it is about more than a cup of coffee. “...nothing you see, smell, touch, taste and hear in its stores is an accident. There is not serendipity here, and nothing is left to coincidence or chance when it comes to the customer experience.” Scott Bedbury, *A New Brand World*

Practices:

3.5(a) Brand Performance. Your United Way delivers results and demonstrates to its investors and partners that it fulfills our Brand Value Proposition, which is the foundation for your interactions with investors and partners. United Way promises your investors and partners to:

- Appreciate their commitment
- Focus on priorities
- Report results
- Multiply their personal impact.

3.5(b) Consistent Brand Presentation. Provide messages and visuals that are consistent across all marketing channels and aligned with the national brand identity guidelines. Ensure that communication is clear, concise and targeted on a year-round basis. Help staff and volunteers understand and clearly articulate United Way’s mission, vision and community impact work in ways that connect with a variety of target audiences.

STANDARD 3.6: PROMINENT STATURE AND REPUTATION. United Way has impeccable standing in the community and is recognized as a key leader on selected priority issues as well as a strong partner on a range of other community issues.

Practices:

3.6(a) Community Visibility. Have specific strategies for the active involvement and visibility of CEO, staff and volunteers in the community.

3.6(b) Media Outreach. Engage and inform the local media so that they become partners in communication.

3.5(c) Reputation Metrics. Measure and strengthen trust, favorability, and the likelihood of volunteer and investor support. Measure growth in the number of opportunities your United Way has to “give voice” to important community issues.

Component 4: Organizational Leadership & Governance

Scope: Lead your local United Way to successfully fulfill its mission, and in doing so, garner trust, legitimacy and support from the local community and the United Way system.

Introduction

Your United Way's CEO and board of directors are ultimately accountable for your organization's performance, reputation, and stature in your community. The CEO and volunteer leaders play a critical role in the success of your United Way, your community, and the entire United Way system.

In the past, good management was sufficient for United Ways to excel as fundraising/fund allocation organizations. However, the complexity of community issues today and the ambition of United Way's aspirations require more than good management.

Harnessing the desire in communities to create real and lasting improvements in people's lives and turning that desire into collective action will require leadership in the following new ways:

- Not only planning, budgeting and allocating, but developing a compelling vision, goals, and strategies for improving lives
- Not only organizing and staffing, but aligning resources to attain your vision and goals
- Not only controlling, monitoring and problem solving, but motivating, inspiring, and enabling people to keep moving in the right direction
- Not only defining your United Way's values, but communicating, promoting and modeling core values in your business practices and individual behavior.

Governance also takes on a new level of importance. In the past, good governance for United Way meant that it had a board of directors representative of its major corporate donors and structures to provide strong fiduciary oversight of fundraising and fund allocation activities. However, driving your United Way to achieve a community impact mission calls for the board to give greater attention to setting direction for the organization, ensuring necessary resources, and engaging in issues in ways that will differentiate it as a leading voice for human welfare in the community.

Through excellence in organizational leadership and governance, your United Way will become a mission-driven organization, where staff and volunteers are passionate, focused and aligned to achieve goals. Your United Way will have credibility, add value, and be recognized as indispensable to your community's health and well-being. As staff and volunteers continuously improve and innovate, your United Way will become more resilient and able to negotiate, navigate and capitalize on opportunities. Finally, your United Way will develop a reputation for integrity, transparency and accountability and be recognized as the premier vehicle for individuals who wish to direct their philanthropy and/or volunteerism toward improving people's lives.

Wondering where to start? Begin by paying attention to these critical areas:

- Alignment, which is a driver of progress and success in accomplishing mission, and achieving community impact and organizational goals
- Board development, especially recruiting new board members who will champion your United Way's mission, have the expertise and stamina to help accomplish it, and bring others along
- System citizenship, because the good deeds and misdeeds of any one United Way can have dramatic repercussions, helping or hindering the performance of many others.

STANDARD 4.1: MISSION. United Way has a clearly stated mission, approved by the board of directors, in pursuit of improving lives by strengthening local communities. All organizational activities are consistent with the mission, and all who work for, or on behalf of, United Way understand, articulate and support its stated purpose. The general public is aware of United Way's mission.

Practices:

4.1(a) Common Mission Statement. Ensure that your mission statement is consistent with the United Way system mission, in meaning if not in language.

4.1(b) Staff and Board Commitment. Promote staff and board understanding of the mission and their role in fulfilling it.

4.1(c) Mission-Critical Activities. Periodically evaluate activities in relation to mission and eliminate or restructure activities as needed.

4.1(d) Guide for Decision-Making. Evaluate opportunities and decisions in relation to the mission.

4.1(e) Public Awareness. Promote widespread public recognition of your United Way's mission through all of your activities.

4.1(f) Periodic Review and Revisions to Mission. Evaluate your mission every three to five years to ensure that it is responsive to and has value for your constituencies and communities served.

STANDARD 4.2: STAFF AND VOLUNTEER LEADERSHIP. United Way's CEO and volunteer leaders provide visible, active and effective leadership for the United Way and the community. The CEO and volunteer leaders hold themselves accountable for achieving community impact and organizational goals, and fulfill the responsibilities described in the practices below.

Practices:

- 4.2(a) Leading Mission.** Demonstrate support, commitment and participation in your United Way's community impact work.
- 4.2(b) Leading through Values.** Model and champion your United Way's core values inside and outside the organization and ensure congruence between values and actions.
- 4.2(c) Leading Relationships.** Establish positive relationships, positioning your United Way as a valuable partner in achieving individual and collective aspirations. Each is a knowledgeable and effective spokesperson for community issues and your United Way's strategies to address them.
- 4.2(d) Leading Performance and Results.** Provide clear direction and goals for United Way and its involvement in community issues. Make sound decisions, identify appropriate actions, and develop and align necessary resources to produce results. Measure and monitor performance.
- 4.2(e) Leading Organizational Change.** Develop and implement a clear change strategy for your United Way's transformation to a community impact organization, including measures to address mindset change, realistic timelines, milestones and course corrections.

STANDARD 4.3: GOVERNANCE. United Way's volunteer board of directors is effective in setting direction for the organization, ensuring necessary resources (i.e., human, financial, relationship) and providing oversight of programs, finances, legal compliance, and values. The board of directors' activities are guided by the practices described below.

- 4.3(a) Integrity, Transparency, and Ethical Conduct.** Ensure that the organization as a whole, and individual staff, board members and volunteers, pursue all activities with integrity and in an ethical manner. To do so, promulgate a code of ethics, annual disclosure statements, training, and the designation of an ethics officer.
- 4.3(b) Board Focus.** In addition to its role in fiduciary oversight, give appropriate time and attention to strategic activities. Focus time and attention on:
- Raising and resolving strategic issues
 - Learning about, understanding and representing a community perspective
 - Pursuing opportunities to collaborate with other organizations, including other local United Ways.
- 4.3(c) Board Member Engagement.** Create expectations that individual board members advocate within their spheres of influence for the commitment, resources and involvement needed to achieve specific results.

“Champions, not chairs”: United Way of Metropolitan Atlanta reshaped the roles and expectations of board members to be champions and set direction for the work of community impact. While the size of the board has been reduced by half to 30 members, it has attracted more diverse leadership with the skills, experiences and the desire to get deeply involved in strategic thinking and problem solving.

- 4.3(d) Board Process.** Design effective, action-oriented board communications, meetings, and other processes.
- 4.3(e) Board Structures.** Ensure that board size, structure and selection of officers promote shared responsibilities and joint commitment.
- 4.3(f) Board/Staff Collaborations.** Support flexible and pragmatic working relationships between board and staff members in order to achieve organizational and community goals. Leverage board members’ expertise and connections. Hold staff leaders accountable for managing relationships with individual board members.
- 4.3(g) Board Development.** Recruit board members who are representative of your community’s diversity and whose background and expertise advance your United Way’s ability to fulfill its mission. Implement an effective program for orientation, education, communication, advancement, and recognition of United Way board members. Conduct a periodic assessment of board effectiveness, at both group and individual levels.
- 4.3(h) Board Oversight of Executive Performance.** Annually assess your CEO’s performance and approve appropriate rewards that are compliant with IRS intermediate sanctions rules.

STANDARD 4.4: STRATEGIC AND BUSINESS PLANNING. United Way establishes short and long-term goals and identifies strategies to accomplish them. Strategies are based on data and analysis, address United Way’s selected priority issues, and drive resource development, marketing, financial and operational plans (collectively, a “business plan”), as well as staff work plans and accountability. United Way assesses progress annually and makes changes as needed.

Practices:

- 4.4(a) Decisions.** As the deliverable from strategic planning, make a set of integrated choices regarding a limited number of community issues your United Way will address, donor/investor segments that it will target, and resources and operational capabilities (including partnerships) needed.
- 4.4(b) Data and Analysis.** Integrate information and analysis of community needs, market trends, customer requirements and competitive environment in order to determine goals and strategies.

- 4.4(c) **Alternative Business Combinations.** Evaluate whether alternative business combinations with neighboring United Ways would more effectively achieve goals at lower cost.
- 4.4(d) **Participation.** Invite staff, volunteers, donors/investors, community partners, and others to provide information or input, conduct analysis, or help make decisions in order to ensure sufficient organizational and community buy-in.
- 4.4(e) **Monitoring and Assessment.** Each year, identify, review and update benchmarks and indicators of progress.

STANDARD 4.5: ALIGNMENT. Leaders align all organizational elements and resources (functional areas, systems, skills, staff, board, volunteers, structure, culture, mindset and investments) to support United Way’s mission and community impact and organizational goals. United Way measures group and individual performance against these goals. Adjustments are made as needed.

Practices:

- 4.5(a) **Identifying Desired Capabilities and Resources.** Identify how your organizational elements and resources will support your United Way’s work.
- 4.5(b) **Staff and Volunteer Roles.** Communicate how staff, board and other volunteer efforts contribute to your United Way’s work.
- 4.5(c) **Workplans and Accountability.** Ensure that all departmental and individual work plans are congruent with, and establish accountability for, community impact and organizational goals. Measure individual and group performance against these goals.
- 4.5(d) **Identifying and Developing Required Competencies.** Recruit and develop other leaders, staff and volunteers who offer the required balance of skills, behaviors and values needed to advance your United Way’s mission.
- 4.5(e) **Critical Responsibilities.** Assign staff, board members and volunteers shared responsibility for mobilizing diverse resources, creating the brand experience and achieving community impact goals.
- 4.5(f) **Volunteer Management.** Implement a formal program for recruitment, orientation, advancement, communication, recognition and evaluation of volunteers. Leverage board members’ expertise and connections. Assign staff responsibility for managing relationships with individual volunteers.
- 4.5(g) **Recognizing and Eliminating Barriers.** Identify and remove barriers, including human, cultural and mindset barriers that impede organizational alignment.

STANDARD 4.6: ORGANIZATIONAL LEARNING AND TALENT DEVELOPMENT. United Way continuously improves performance by: 1) anticipating and reacting to change, complexity and uncertainty, 2) cultivating a culture committed to the innovation of products and services, and 3) facilitating the development, growth and succession of talent.

United Way leaders create the optimal culture, processes and infrastructure for continuous learning at organizational and individual levels. United Way staff, volunteers, and partners translate new learning into action that achieves results.

Practices:

4.6(a) Teaching and Learning Culture. Build an organizational culture that invites both formal and informal teaching and learning, as well as integration of new thinking and behaviors.

4.6(b) Continuous Improvement. Continually evaluate the effectiveness of organizational activities, implement lessons learned, and use market and customer feedback to improve future actions. Identify effective approaches to community mobilization and social change. Adopt and exchange promising practices within your United Way and among community partners, other United Ways and other institutions.

4.6(c) Measurement and Rewards. Measure the impact of learning on both individual and organizational performance. Encourage and reward initiatives that experiment with new ideas or the adoption of new practices.

4.6(d) Learning Strategy. Create an organizational learning strategy linked to your business strategy, allocate specific investment of financial and human resources to implementation, and develop relationships with others who have relevant knowledge, programs, technology, and other resources.

4.6(e) Professional Development and Leadership Development. Design a professional development program for staff, board members and other volunteers that includes training, tools and opportunities for teamwork, rotations and/or exchanges. Ensure that staff, board and volunteer leaders pursue their own personal development in order to acquire or strengthen skills, mindset and behaviors to successfully lead your community.

4.6(f) Cultivating Talent. Recruit and develop a diversified talent pool based on the mix of competencies needed to achieve your United Way's goals. Regularly assess individuals, providing appropriate development opportunities. Plan for and facilitate staff succession into critical roles.

STANDARD 4.7: INCLUSIVENESS. United Way recognizes that in order to effectively engage communities to achieve community impact goals, staff, volunteers, donors/investors, and community partners should include the communities United Way serves. The organization's culture, recruitment, partnerships, and other business practices

demonstrate inclusiveness. Formal policies and practices promote and measure inclusiveness in all aspects of internal and external functions.

Practices:

4.7(a) Awareness. Develop and disseminate your United Way's inclusiveness principles and values. Include clear language affirming your commitment to and respect for diversity and inclusiveness in your vision statement, bylaws and strategic plan.

4.7(b) Inclusive Culture. Demonstrate commitment to and accountability for an inclusive environment in which differences are recognized, respected, valued, and even celebrated.

4.7(c) Accountability. Develop and maintain a plan for achieving and promoting inclusiveness which is reviewed every two years by your board.

4.7(d) Outreach. Implement an outreach strategy with measurable goals and objectives.

4.7(e) Business and Community Relationships. Conduct business with those of diverse backgrounds.

4.7(f) Ongoing Learning. Identify and address specific inclusiveness issues, barriers, and/or opportunities. Build awareness into staff, board and volunteer training and development programs.

STANDARD 4.8: SYSTEM CITIZENSHIP. Your United Way's relationships with other United Ways, state associations and UWA acknowledge that each member bears responsibilities toward the others. The successes and failures of any one member impact the entire system. Your United Way fosters a high level of trust, information exchange and mutual help with others in the system to further our community impact mission, create a consistent brand experience, and support a strong network of United Ways locally, regionally and nationally.

Practices:

4.8(a) Mission Statement. Adopt a mission statement that is consistent with the United Way system mission, in meaning if not in language.

4.8(b) Membership Requirements. Honor both the spirit and letter of UWA's membership requirements.

4.8(c) Respect for United Way Service Areas. Honor the sovereignty of United Way service areas by:

- Never soliciting companies in another United Way's territory (assigned by zip codes in Gift Link) without their written concurrence, as outlined in the Trademark Licensing agreement
- Processing designations according to Requirement M regarding timeliness, pricing and reporting

- Following the campaign reporting requirements established by the National Professional Council (NPC) for all shared accounts.

4.8(d) Issues and Concerns with Respect to Other United Ways. Communicate questions and concerns directly to other United Ways.

4.8(e) Conflicts of Interest. When a conflict arises between local United Ways, your United Way advocates for what is in the best interest of the donor/investor and then the United Way system.

4.8(f) Promoting Accountability. If your United Way is unable to resolve concerns about the legitimacy, ethics or accountability of another local United Way, voice concerns to UWA.

4.8(g) Information Sharing on Major Givers. Proactively share information with other United Ways and UWA on donors/investors to facilitate retention and cultivation of major givers.

When one of your United Way’s major donors/investors or key volunteers moves, do you put her in touch with the United Way in her new community? Imagine the potential to retain support and leadership for United Way--and communities--if this were common practice!

4.8(h) Collaboration with Other Local United Ways on Common Issues. Create opportunities for regional or statewide collaboration and resource-sharing on issues and initiatives that are relevant to multiple United Ways, including public policy and advocacy.

4.8(i) Leveraging Partnerships with Other Local United Ways. Establish regional or statewide partnerships and collaborations, when appropriate, for:

- Unified message strategy
- Media relations
- Regional campaigns
- Staff and volunteer training
- Shared services, including purchasing, pledge processing and administrative back office operations
- Community assessments and data gathering
- Public opinion polling.

4.8(j) Corporate Relationships. In shared territories, consult and work with other United Ways when asking for corporate gifts and involvement (e.g., loaned executives, volunteers, support for issues).

4.8(k) National Impact. When compatible with identified local issues, implement initiatives that further United Way’s national impact agenda (e.g., early childhood development initiative and 2-1-1).

Component 5: Operations

Scope: Provide efficient and cost-effective systems, policies and processes that enable the delivery of United Way’s mission-related work and ensure the highest levels of transparency and accountability.

Introduction

Every United Way, whatever its size, requires sound business operations to enable it to successfully carry out mission-critical work. First and foremost, effective and efficient business support functions such as financial management and control, human resources administration, technology, risk management—and other areas covered by the standards that follow—are critical to earning public trust in your United Way’s stewardship of donor/investor resources. Building on this foundation of trust, sound and cost-effective policies, processes and systems ensure your organization’s capacity to accomplish community impact goals, direct greater resources toward mission-critical work, and deliver on United Way’s Brand Value Proposition.

The first two standards presented in this component cover two categories of back office operations:

- Strategic Back Office functions provide operational support of your United Way’s core business activities – community engagement, impact strategies, resource development and investment.
- Administrative Back Office includes functions which support all of your United Way’s departments and activities, i.e., human resources administration, finance, technology and procurement functions.

For all United Ways, there are multiple, alternative ways to acquire operational (not necessarily organizational) capacity for excellence. These options, which have been pursued by United Ways across the country, include:

- Internal capacity
- Collaborating with neighboring or other United Ways to access shared services
- Adopting national or regional solutions
- Relying on external providers.

Large and small United Ways face different challenges in striving to achieve excellence in their back office operations. Larger United Ways may find that the complexity of their organization requires more disciplined and sophisticated processes and systems. Smaller United Ways may lack internal capacity to provide some of the functions described and therefore may need to seek alternative providers.

With respect to standards of financial accountability (i.e., financial policies, internal controls, legal compliance, public reporting and transparency, and investment policies), however, there is but one option, which is for your organization to strive to comply with the

relevant standards in both spirit and letter. Your United Way's dedication to excellence in financial accountability represents a prerequisite for the privilege of serving your community and your donors/investors.

STANDARD 5.1: STRATEGIC BACK OFFICE. United Way provides high-quality and cost-effective operational support of all core business functions through internal capacity, national and regional solutions, United Way collaboration, external professionals, or a combination thereof.

Practices:

5.1(a) Proper Providers. Utilize large-scale providers of strategic back office services in order to realize increased effectiveness, cost savings and consistency.

5.1(b) Community Engagement Support. Provide processes and systems in direct support of your United Way's community engagement activities (e.g., event management, advocacy campaigns, etc.).

5.1(c) Impact Strategies Support. Provide processes and systems in direct support of your United Way's impact strategies (e.g., issue research and education, outcome measurement, distribution and reporting of United Way's investments, and/or eligibility screening).

5.1(d) Resource Development & Mobilization Support. Provide processes and systems in direct support of your United Way's resource development and mobilization, including the following:

- **Donor Marketing and Solicitation**
Conduct targeted e-mail or direct mail campaigns, develop an investment guide (in place of traditional agency catalog) and create or purchase branded promotional products.
- **Campaign/Donor Management System**
Maintain secure donor management system to house donation data for workplace campaigns, major donors/investors, grants, and other resource development programs. Ensure confidentiality of donor/investor information.
- **Pledge Capture**
Design and provide pledge capture mechanisms (cards, websites, etc.) which are consistent (e.g., in presentation, content, options provided, look and feel, etc.) and which provide the proper balance between promoting United Way and collecting key donor/investor information. Disclose all associated fees and practices relevant to donations in a clear and understandable manner. Request release of donor/investor information to recipient organizations; however provide option for anonymity in publications.
- **Pledge Processing & Distribution**
Conduct transparent and cost-effective activities that receive, acknowledge and move pledge dollars appropriately.

- **Donation Tracking**
Enable donors/investors to transparently review up-to-date status of the payment and distribution of their gifts online.

5.1(e) Customer Relationship Management (CRM) Support. Configure systems and processes to capture, analyze and report data that supports a “360-degree view” of customers and partners. Utilize CRM systems and data to enhance relationships with customers and partners via regular contact reminders, etc.

STANDARD 5.2: ADMINISTRATIVE BACK OFFICE. United Way provides high-quality non-core business functions (i.e., human resource administration, finance, information technology and procurement) through internal capacity, national and regional solutions, United Way collaboration, external professionals, or a combination thereof.

Practices:

5.2(a) Proper Providers. Utilize large-scale providers of administrative back office services in order to recognize increased effectiveness, cost savings and consistency.

5.2(b) Human Resource Administration. Become the employer of choice in the nonprofit sector through delivery of thoughtful and comprehensive HR programs, systems and policies. These should address such areas as total rewards, diversity, executive compensation, training and retention.

5.2(c) Finance. Leverage leading-edge financial applications to provide comprehensive general ledger, accounts payable, accounts receivable, budgeting, and financial reporting functionality.

5.2(d) Technology. Provide a reliable and redundant IT environment, including infrastructure, training, maintenance and support. Develop a technology plan that leverages leading-edge applications and architecture to support open access, integrated solutions and high degree of security and information availability.

At United Way Processing and Information Center (UWPIC), participating United Ways receive support for their Information Technology needs, for a fee, through a set of managed contracts. In addition to e-mail and application hosting services (including campaign, allocations, 211, volunteer matching, accounting, and human resources), UWPIC provides 24 x 7 help desk support on most Microsoft Office, LAN, computer and printer issues via a 1-800 number. In addition, UWPIC provides next-business-day dispatch services to diagnose and repair computers, printers and related equipment.

5.2(e) Procurement. Provide procurement systems, policies and protocols to leverage competitive bidding, bulk purchasing, nonprofit pricing and preferred vendor relationships for the highest quality products at the lowest possible cost.

STANDARD 5.3: COST ANALYSIS. United Way utilizes its resources effectively and efficiently, yielding maximum value while incurring minimum cost.

Practices:

- 5.3(a) Cost/Benefit Analysis.** Perform cost/benefit analyses on all major resource development, investment and community engagement activities. Eliminate redundancy. Examine the relative lifecycle costs associated with these activities and ensure they are generating the greatest return on investment (e.g., net present value). Accurately align expenditures with your United Way's selected priority issues and impact strategies.
- 5.3(b) Transaction Cost Tracking.** Track and calculate transaction costs for specific activities such as processing designations, processing unrestricted gifts, disbursing funds to agencies, agency verification, etc. Ensure that costs are as low and reasonable as possible.
- 5.3(c) Staff Deployment.** Perform human capital cost/benefit analyses so that resources are appropriately deployed within your organization. Evaluate and align the distribution of staff and staff time against selected priority issues and impact strategies.
- 5.3(d) Examining Options.** Evaluate projects and resources taking into consideration available options (e.g., other United Ways, shared approach, external providers). Benchmark services and costs, including in-house options.

STANDARD 5.4: RISK MANAGEMENT. United Way is intentional and comprehensive in the protection of the organization's assets (brand, financial, property, and people).

Practices:

- 5.4(a) Insurance.** Purchase and maintain comprehensive insurance programs including director and officer, general liability, crime/fraud, Internet, worker's compensation, unemployment, content and personal property insurance.
- 5.4(b) Legal.** Maintain comprehensive legal representation, whether internal general counsel or outside counsel, on a paid or pro-bono basis. All significant, legally binding documents should be reviewed by counsel (e.g. contracts, memorandum-of-understanding, merger documents, bylaws, etc.).
- 5.4(c) Media Response Plan.** Develop a media response plan to address reputation-damaging incidents within the local organization and anywhere within the United Way system. Designate and train individuals to respond to media during emergencies.
- 5.4(d) Policies.** Circulate, as appropriate, an up-to-date policy manual regarding organizational rules for key policies, such as:

- Material (gift acceptance policy, etc)
- Real Estate (environmental, tax, ownership, disposability)
- Art/Furnishings
- Stock
- Behavioral (ethics, online, etc.).

STANDARD 5.5: BUSINESS CONTINUITY. United Way has a comprehensive business continuity plan to ensure appropriate and timely internal actions following major crises, disasters or loss of key staff.

Practices:

5.5(a) Community Partners. Work collaboratively with community partners to develop your United Way’s continuity response recovery plan. Identify and confirm roles of community partners, if any.

5.5(b) Test Disaster Readiness. Institute and test your disaster readiness plan including evacuation, disaster recovery and emergency procedures to ensure continued operations in case of disaster. Plan to include off-site staging areas and backup lists of contact information for all staff and volunteers.

5.5(c) Knowledge Retention. Implement procedures (documentation, document retention, cross-training, shadowing, etc.) to ensure institutional knowledge retention in the event that key resources are no longer available.

STANDARD 5.6: FACILITIES. United Way provides a safe, welcoming physical environment that is accessible, practical, recognizable, and expressive of the organization’s mission.

Practices:

5.6(a) Mission Support. Provide facilities that support the mission of the organization (e.g. safe, clean, and well-branded). Provide access to practical meeting space for community engagement activities.

5.6(b) Location. Ensure that facilities are conveniently located, recognizable and highly visible within the community.

5.6(c) Safety. Provide a safe work environment through the creation and implementation of a building security plan, procedures and protocols, and a physical structure that is up to code, including compliance with the Americans with Disabilities Act (ADA), Occupational Safety and Health Administration (OSHA) regulations and other applicable laws and regulations.

5.6(d) Productivity. Maintain a healthy and productive workplace by providing job-appropriate workspace and equipment designed to enhance productivity.

STANDARD 5.7: FINANCIAL POLICIES. In order to maintain the public's trust, written policies and procedures are in place to ensure strong financial management, compliance with legal and regulatory requirements, compliance with all UWA membership requirements and internal controls over all United Way resources.

Practices:

- 5.7(a) Annual Audit.** Each fiscal year, your board of directors (or the audit committee with the approval of the board) engages a Certified Public Accountant to perform an independent audit in accordance with Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS) and UWA's implementation requirements for Membership Requirement H. The United Way achieves an Unqualified Opinion and requests a management letter; the auditors (or the audit committee) must present the audit and management letter to your board for their review and approval. Make copies of the audit available on your United Way's website and provide a copy of the full audit report to the public when requested.
- 5.7(b) IRS Form 990.** Prepare and file IRS Form 990 in a timely and accurate fashion. Ensure that the form is prepared in accordance with Internal Revenue Service regulations and instructions and UWA's implementation requirements for Membership Requirement A. Make the form available on your United Way's website and provide a copy to the public when requested.
- 5.7(c) Reporting to Board.** The finance committee and the board review and approve the annual financial plan and budget. Present to your board, at least quarterly, the internal financial statements and the statement of financial position, identifying and explaining any variation between actual and budget results.
- 5.7(d) Annual Budget.** Develop your budget to ensure prudent use of the organization's financial and human resources in alignment with the strategic plan. Prepare and present the annual budget to the finance committee, which recommends it to the board for approval. The finance committee monitors actual performance against the budget.
- 5.7(e) Capital Expenditures.** Establish procedures to ensure accountability for all capital expenditures with a useful life of more than one year. Such policies set a reasonable minimum value to capitalization, identification of each capital asset and a depreciation schedule.
- 5.7(f) Campaign Accounting.** Establish and maintain campaign accounting policies and procedures in accordance with Financial Accounting Standards Board (FASB) pronouncements, Internal Revenue Service regulations and UWA total resources generated policy. Ensure that all costs deducted from designated gifts are in compliance with Membership Requirement M.
- 5.7(g) Contracts.** Institute contract procedures and approval processes for the purchase of all goods and services, including, but not limited to, consultants, professional

services, hotel and convention space, computer hardware and software and capital purchases. Contracts should have legal review when appropriate.

STANDARD 5.8: INTERNAL CONTROLS. To properly ensure the accuracy of financial statements, safeguard assets and maintain an appropriate separation of duties for all financial transactions and functions, United Way maintains effective internal controls, policies and procedures which are reviewed by auditors and approved by the audit committee of the board of directors.

Practices:

- 5.8(a) Petty Cash.** Provide adequate documentation supporting the business purpose for each petty cash reimbursement. Replenish petty cash only from checks drawn on the organization's bank account. The board establishes a dollar limit on the amount of petty cash available for disbursements.
- 5.8(b) Business-Related Expense Reimbursement Policy.** Put in place a business-related expense reimbursement policy that specifies authorized expenses, required documentation, and necessary levels of approval. The audit committee or an appropriately authorized board member regularly reviews and approves all CEO business-related expenses.
- 5.8(c) Uncollectibles.** Establish policies and procedures for monitoring collection of pledges that include dual approval for write-off, tracking historical loss levels, and estimation of future uncollectible rates. The policies ensure that an adequate level of allowance for uncollectibles is maintained without overestimating the amount.
- 5.8(d) Accounts Payable.** Put in place policies governing payment practices, the disbursement of funds (including documentation requirements), signing authority, payment schedules and verifications. (Make payments by electronic funds transfer whenever possible.) Bring overpayments to vendors to the attention of the CFO and, as appropriate, the audit committee.
- 5.8(e) In-Kind Donations.** Establish "receive and receipt" in-kind donation policies in accordance with FASB pronouncements, Internal Revenue Service regulations, and UWA Standards and Guidelines for Accounting for In-Kind Gift transactions.
- 5.8(f) Electronic Funds Transfer (EFT).** When EFT is utilized, take added care to ensure adequate control that is approved by the auditing firm.

STANDARD 5.9: SARBANES-OXLEY LEGISLATION (SOX). Although SOX legislation primarily applies to publicly traded companies and the audit firms that serve them, two provisions of the law apply to all corporate entities, including nonprofits.

U.S. law requires the following two policies for all United Ways:

- 5.9(a) Whistle-Blower Protection.** Establish a policy to protect whistle-blowers from retaliation. Your board of directors (or audit committee) establishes policies and procedures for handling complaints, including anonymous ones, about accounting and financial matters. Prohibit retaliation for good faith complaints or concerns.
- 5.9(b) Tampering With or Destroying Records.** Put in place a policy to prevent individuals from tampering with or destroying records so as to impede an official proceeding. Individuals may not “corruptly alter, destroy, mutilate, or conceal any document with the intent to impair the objective’s integrity or availability for use in an official proceeding.” Your board establishes policies and procedures concerning the intentional destruction of documents and electronic data so that the process is monitored, justified and carefully administered.

The following practice is not required for all United Ways by SOX or U.S. law, but is required as a matter of UWA policy:

- 5.9(c) Code of Ethics.** Adopt a code of ethics and make it publicly available.

The following practices are not required of all nonprofits by SOX or UWA policy, but are strongly recommended as “effective governance”:

- 5.9(d) Code of Ethics and Ethics Officer.** Adopt a code of ethics and publicly designate an ethics officer (or the equivalent) to help the board and management implement and realize the values and standards articulated in the code of ethics.
- 5.9(e) Independent Audit Committee.** Appoint and charge an independent and competent audit committee. The majority of the audit committee, including its chair, report directly to the board. At least one member of the audit committee is, and has been identified as, a “financial expert.” The audit committee pre-approves all non-audit services provided by the external auditors. The lead and reviewing (sometimes termed “concurring”) partners of the audit firm rotate every five years or you must change firms.
- 5.9(f) Loans to Leadership and Staff.** Prohibit loans (or the equivalent) to directors or executives and have a policy restricting or severely limiting loans to staff.
- 5.9(g) Management Assessment of Internal Controls.** All United Ways should ensure that their financial policies, procedures and internal controls are documented and monitored to verify operational compliance. These policies, procedures and controls should be reviewed by the audit and finance committees at least every three years in conjunction with the self-assessment stipulated by Membership Requirement I. The audit committee should evaluate the cost/benefit of periodic external review and testing of the effectiveness of the organization’s internal controls.

5.9(h) Certification of Financial Statements. The CEO and CFO certify the appropriateness of financial statements and that they present fairly the financial condition and operations of your United Way.

At the United Way of Central Carolinas in Charlotte, North Carolina, Gloria Pace King, President, understands the importance of a commitment to the highest ethical and financial standards. Her team developed training for their partners that incorporates the provisions of the newly adopted Sarbanes-Oxley Act of 2002. Although the legislation was written primarily for SEC (Security Exchange Commission) regulated companies, compliance by United Ways and all nonprofits helps ensure integrity, transparency and fiscal accountability.

STANDARD 5.10: PUBLIC REPORTING AND TRANSPARENCY. United Way is open and candid about its activities and operations. It provides public access to appropriate documents to ensure transparency in governance, finance, allocation and ethics matters.

Practices:

5.10(a) Culture of Openness. Create and sustain a culture of openness and accessibility of information concerning stewardship practices.

5.10(b) Public Document Requests. Make available the following documents on your United Way's public website: mission statement, annual report, names and business affiliation for current members of the board of directors, resource distribution policies and list of recipients, code of ethics, ethics officer or designated contact person, IRS Forms 990 or 990-T, and any schedules (excluding donor/investor names) or amendments thereto. Release other documents as appropriate.

STANDARD 5.11: INVESTMENT POLICIES. United Way has board-approved, sound and prudent investment policies and financial practices that adhere to fundamental fiduciary duties of loyalty, impartiality and prudence in maintaining overall portfolio risks at a reasonable level.

5.11(a) Handling of Gifts, Property and Stocks. Institute sound policies and procedures that clearly articulate the organization's position regarding the acceptance of gifts of property and stock and their prudent use and disposition.

5.11(b) Cash Flow Analysis. Ensure a clear understanding of cash flow needs (cycles/amounts) and implement systems to enable proper management of revenue and expenses to avoid cash flow problems.

5.11(c) Reserves. Establish policies and procedures that govern acceptable organizational reserves and usage. Allocate cash reserves to institutions according to the limits of FDIC protection.

5.11(d) Diversification. Diversify investments to the greatest extent possible to minimize risks while achieving desired investment returns. For all reserves, investments, endowment funds, and interest bearing accounts, the portion of investable reserves kept in the form of cash are allocated to institutions according to the limits of FDIC protection and other long-term reserves are invested according to the “prudent man rule.”

5.11(e) Endowment Funds. Make sound investment choices within the constraints required by the donor/investor and with the oversight of your board of directors.