



<b>Investment for Impact Policy</b>			
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**Reference Document:** Community Impact & Investment Plan (All11)  
Supported Partner Funding Agreement (Agree2)

## 1. Principles

United Way Perth-Huron (UWPH) is accountable to donors and to the Perth, Stratford, St. Marys and Huron County communities for the most effective use of contributed funds.

UWPH has long worked to improve lives by mobilizing resources of businesses, employees, individuals, and foundations in support of direct service programs at organizations that measurably improve people's lives. While we remain committed to this incredibly important work, UWPH is also committed to being a leader in understanding the root causes of social issues and bringing together people and resources to find lasting solutions.

Our Community Impact Plan is our commitment to establishing long-term community goals, determining how we will measure success, developing and implementing the right multi-dimensional strategies, and measuring results over time. It is a comprehensive, high-level action plan, developed with representation from community partners and Supported Partners, for addressing the most pressing social issues.

UWPH continually assesses community issues to ensure its activities are meeting the most urgent needs. Current research and analysis of service demands, trends in service utilization, community concerns, consultations with agencies and informed community members, and donor perspectives point to a need to focus funding, for maximum impact and desired outcomes, on three areas:

1. All That Kids Can Be: Helping children and youth reach their full potential.
2. From Poverty to Possibility: Meeting basic human needs and moving people out of poverty.
3. Strong Communities: Strengthening community services and increasing community engagement.

## 2. Purpose

This policy is intended to provide guidance for investing UWPH resources to have the greatest impact. Normally, investment requests will be prioritized based on a determined priority for need and impact, rather than focussing on the amount of the request. This may result in concentrating higher investment in fewer initiatives in order to have a greater impact.

### **3. Definitions**

- 3.1. Community impact – Community Impact is creating lasting social change. It means opportunities for a better life for individuals and families so that our community is measurably better off as a result of the work of United Way Perth-Huron.
- 3.2. Focus Area Framework - The three areas that have been chosen as the foci for efforts to make change happen. Based on the priority populations that will be served, because these individuals and groups are vulnerable to a variety of social and systemic barriers.
- 3.3. Outputs - The direct products of program activities, usually measured in terms of the volume of work accomplished (i.e., units of service). A program's outputs should produce desired outcomes for the program's participants. Examples include the number of meals provided, classes taught, brochures distributed or participants served.
- 3.4. Outcomes - The benefits or changes for participants (or communities) during or after their involvement with a program or service. Examples include new knowledge, new skills, changed attitudes or values, improved condition, altered status or modified behaviour. For a particular program, there can be various levels of outcomes, with initial outcomes leading to longer-term ones. For example, students who participate in an after-school homework support program might initially complete a greater number of homework assignments, which can lead to improved attitudes toward school, which can lead to grade level performance or higher.

### **4. Investment Guiding Principles**

UWPH will invest:

- a) Resources where they needed the most and where they will have the greatest impact.
- b) To make a measurable difference in creating a better life for everyone.
- c) In a range of strategies to advance the priority goals including front line programs and services, convening, research and advocating for change.
- d) To promote collaborative efforts to advance the priority goals.

### **5. United Way Investment Model**

UWPH believes that solely focusing on monetary investments does not necessarily achieve community impact. Other strategies are needed to change community conditions to improve lives including convening stakeholders to find solutions, research and advocacy to help bring awareness to community issues. By integrating all of UWPH's investment strategies into one framework, UWPH can illustrate how direct service programs are an essential part of achieving community impact.

For each priority goal, UWPH aims to invest in:

- a) Direct Impact  
Investments in frontline programs and services that benefit individuals and families.
- b) Community Impact  
Investments to influence community change (programs/services that benefit the broader community including: convening, collaborating, sharing services, providing community information, promoting volunteerism, research, planning and advocating).

## 6. Investment Decisions

Funding decisions made by UWPH's Community Impact & Allocations Committee (CIAC) and approved by the UWPH Board of Directors are guided by:

- UWPH's mission, vision and values
- UWPH's Community Impact Plan
- UWPH's Allocations Policies
- Ongoing relevant research about community needs, problems and issues
- Commitment to serve all citizens of Perth County and Huron County
- Availability of resources

Normally, CIAC will prioritize funding requests based on a determined priority for need and impact, rather than focussing on the amount of the request. This may result in concentrating higher investment in fewer initiatives in order to have a greater impact.

CIAC will respect that the organizations applying for funding best understand the true cost for operating the program in order to have the greatest impact. Therefore, normally applications will be funded for their full funding request. CIAC will generally refrain from recommending a percentage increase or decrease across the board for all applications. While a percentage decrease across all applications may increase the number of initiatives that UWPH could fund, it could also result in reduced or weakened service provision, thus reducing the impact to the community.

## 7. Secondary Investment Considerations

After prioritizing investment recommendations, CIAC should consider the following:

a) Investments by geographic region

Preliminary prioritization of investments may result in a gap of directly funded programs in a specific area of our community. Therefore, CIAC may decide to reprioritize a program(s) in order to provide direct service more evenly across geographic regions.

b) Investments based on programs to address issues identified by community committees

UWPH works with regional community committees to determine the areas of greatest concern for that specific region. For example, a regional committee may identify homelessness as a priority and an organization may apply for funding to address such priority. Therefore, CIAC may decide to reprioritize a program(s) in order to invest in a program identified to address the greatest issues in a region.

c) Investment in services across Perth County and Huron County.

UWPH may receive multiple applications to fund the same service in different regions of Perth County and Huron County. For example, there may be two organizations that apply and are approved for funding for transportation services but serve different regions. CIAC may decide to reprioritize a program(s) in order to invest in the similar programs, through multiple organizations, in order have the similar service delivery across the service region.

## 8. Expectations for Supported Partners receiving funds

UWPH investments must meet the following expectations:

### a) Alignment with United Way Community Impact Plan

The Community Impact Plan is based on a consultative process with clearly defined community need with attention to:

- A clearly identified human service issue/concern.
- The process by which the needs identification was conducted.
- An indication of how the service(s) meet the needs of all members of the community, including those of diverse racial, linguistic or cultural backgrounds.
- Collaboration and partnerships with other organizations working with related issues to avoid duplication or overlap.

### b) Outcome evaluation

There are clear objectives, well-developed service plans, monitoring systems and plans to develop outcome measures; there is evidence of partnerships and linkages; there are innovative, collaborative, and creative responses to social, demographic and economic change with attention to:

- A clear statement of the agency purpose and outcomes for programs/services.
- Measurable indicators for each outcome.
- Past service results (quantitative and qualitative) including the benefit to the client, client satisfaction, waiting lists, etc.
- A long-range service plan which includes proposed new or revised plans in response to changing needs of the client population.

### c) Cost effectiveness

Resources are used in the most effective manner relative to the outcomes to be achieved; there is clear financial reporting/planning noting that:

- Financial reporting is in accordance with UWPH's program budget reporting format.
- Financial plans for the next funding year and financial forecasts for the following years (if applicable) are well developed.

A portion of funding provided may cover ongoing operating expenses as UWPH recognizes that there are administrative costs to providing quality, well-managed services. Therefore, UWPH volunteers will assess support for administrative costs during the course of the allocations process [see Community Impact & Investment Plan (All11)].

### d) Ability to leverage other resources

There is evidence of creativity in obtaining additional funding from all possible sources including surplus funds, reserves, fundraising, government grants, etc. Financial plans should indicate the use of all financial resources available to the agency.

### e) Local use of UWPH funds

Funds provide services in Perth County and/or Huron County; organizations must demonstrate value for funds sent to provincial/national bodies.

f) Volunteerism

The extent to which volunteers participate in the governance, planning, and in the administration and delivery of services (as appropriate).

g) Supported Partner Business Practices

Supported Partners will adhere to the following business practices as conditions of the Supported Partner Funding Agreement (Agree2). Supported Partners receiving UWPH funding are responsible for managing their own activities.

a. Human Resources Practices

All Supported Partners receiving UWPH funding are expected to employ good human resources and business practices, such as:

- qualifications of workers
- system for assessing the performance of workers
- system for assessing and assuring worker morale
- system for ensuring the health and safety of workers
- system for dealing with inadequate workers
- specific measures to improve efficiency
- strive to pay workers a living wage

b. Governance Practices

All Supported Partners receiving UWPH funding are expected to employ good governance, such as:

- Having an appropriately functioning Board of Directors that: governs the organization, receives no financial remuneration, meets regularly and hosts an Annual General Meeting.
- Having an effective working relationship between the organization's workers and Board of Directors
- Carrying sufficient Directors Liability Insurance as well as liability insurance to cover the program/project seeking UWPH funding. All insurance coverage indemnifies UWPH.

c. Financial Reporting and Accountability

As part of its accountability to donors, UWPH must ensure that the funds it distributes are used solely for purposes defined in the original allocation request and that these funds are used in a cost-effective manner. To this end, annually the UWPH expects financial statements (audited or unaudited based on exceptions below) accounting for all dollars received from UWPH. UWPH will follow the Financial Capacity Assessment for Supported Partners and Applicants Policy (All12) and Supported Partner Surplus (Reserve), Deficit Funds Policy (All3) to evaluate a Supported Partners financial status.

A Supported Partner may apply in writing to United Way Perth-Huron to request exemption from the requirement for submission of an audited financial statement if:

- a. the Supported Partner is requesting under \$10,000 in annual allocations from United Way Perth-Huron; or,
- b. the Supported Partner has an annual operating budget of less than \$100,000.

If the exemption is approved, the Supported Partner shall be allowed to submit unaudited financial statements, including a Balance Sheet and a

Statement of Operating Income and Expenditure. Such unaudited financial statements must have been approved by the Board of Directors of the Supported Partner, prior to submission.

A Supported Partner that is a Registered Municipality is exempt from providing Audited Financial Statements, based on the significant public accountability already required for municipalities.

d. Commitment to UWPH

Supported Partners must:

- Sign and adhere to the UWPH Supported Partner Agreement.
- File all reports as requested by UWPH, strictly adhering to all timeframes and deadlines.
- Provide written notification to UWPH whenever the program/organizational changes listed below occur:
  - Organizational changes that affect a UWPH funded program including the rationale for such changes, implications for current and ensuing years' budgets and implications for other programs.
  - If the organizational change includes merger with another organization, CIAC will complete a Financial Capacity Assessment on the organization being merged with the Supported Partner. Based on the Financial Capacity Assessment and other information, CIAC will either:
    - approve continuing funding to the merged organization (for the same program approved for funding); or
    - reduce funding or defund the organization, in accordance with the [Defunding Policy \(All4\)](#).
  - Management level and/or material staffing changes.
  - Fee-for-service changes.
  - Changes to availability of services.

h) Legislative compliance

Funded organizations will carry out the funded activity in compliance with all applicable federal, provincial and municipal laws, by-laws, policies, guidelines, rules and regulations.

i) Services to vulnerable populations

Where services are provided to vulnerable populations, Supported Partners must obtain a Police Vulnerable Sector Check (PVSC) for all employees, board members, volunteers and students.