

# UNITED WAY OF NORTHEAST LOUISIANA

## PARTNER AGENCY STANDARDS

Adopted 1989

Revised 2004, 2009, 2013

December 2023

Multiple non-profit standards sources have inspired this document including the accreditation process formerly offered by the Louisiana Association of Non-Profit Organizations and more recently, materials from the Louisiana Association of United Ways

and United Way Worldwide. Finally, this guidance reflects the lived experience of many United Way of Northeast Louisiana staff members and volunteers.

These Partner Agency Standards are considered a benchmark of best practices. Agencies should aspire to meet all standards; however, specific standards are strictly non-negotiable. These non-negotiable standards are signified by the term “must” throughout this document.

## I. MISSION AND PROGRAM

### A. MISSION

- (1) The organization's purpose, as defined by the board of directors, should be formally and specifically stated. The organization's activities should be consistent with its stated purpose.

### B. ORGANIZATIONAL EVALUATION

- (2) A nonprofit should periodically revisit its mission to determine if the need for its programs continues to exist. The organization should evaluate whether the mission needs to be modified to reflect societal changes, its current programs should be revised or discontinued or new programs need to be developed.

### C. PROGRAM EVALUATION

- (1) A nonprofit should have defined cost-effective procedures for evaluating, both qualitatively and quantitatively, its programs and projects in relation to its mission. These procedures should address programmatic efficiency and effectiveness, the relationship of these impacts to the cost of achieving them, and the outcomes for program participants.
- (2) Evaluations should be candid, be used to strengthen the operational effectiveness of the organization, and when necessary, be used to make strategic programmatic changes.
- (3) The organization should obtain feedback from key stakeholders, especially clients, constituencies, consumers, and/or members during its evaluation process.

#### D. PROGRAM SERVICE

- (1) In rendering its programs or services, a nonprofit should act with the utmost professionalism and treat persons with respect. Where appropriate, a nonprofit should have policies in place, which protect the confidentiality of personal information and provide a grievance procedure to address complaints. Nonprofits should regularly monitor the satisfaction of program participants and strive to ensure that programs meet their needs.
- (2) No one should be denied services due only to inability to pay to the extent of the nonprofit's resources.

## II. GOVERNING BODY

### A. BOARD RESPONSIBILITIES

- (4) The board should engage in ongoing planning activities as necessary to determine the mission of the organization, to define specific goals and objectives related to the mission, and to evaluate the success of the organization's programs toward achieving the mission.
- (5) The board should establish bylaws & approve written policies for the effective management of the organization, including financial, personnel and fundraising policies. Both bylaws and policies should be reviewed and updated periodically.
- (6) The board should annually approve the organization's budget and periodically assess the organization's financial performance in relation to the budget. As part of the annual budget process, the board should review the percentages of the organization's resources spent on program, administration, and fundraising.
- (7) The board should hire the executive director, set the executive's compensation, and evaluate the executive's performance.
- (8) The board should periodically review the appropriateness of the overall salary structure and employee benefits package.

### B. BOARD COMPOSITION

- (1) The board should be composed of individuals who are personally committed to the mission of the organization and the current list of board members must be publicly accessible.

- (2) Where an employee of the organization is a voting member of the board, the circumstances must ensure that the employee is not in a position to exercise undue influence.
- (3) The board should have no fewer than five (5) unrelated unconnected directors. Seven (7) or more directors are preferable.
- (4) The organization's bylaws should define the role of board officers and set forth term limits for the service of board members.
- (5) Board membership should reflect the diversity of the communities served by the organization.
- (6) Board members must serve without compensation. Board members may be reimbursed for expenses directly related to their board service.

#### C. CONDUCT OF THE BOARD

- (1) The board must be responsible for its own operations, including the education, training and development of board members, annual evaluation of its own performance, and where appropriate, the selection of new board members.
- (2) The board should establish stated expectations for board members, including expectations for participation in fundraising activities, committee service, and program activities and financial support.
- (3) The board should meet as frequently as needed to fully and adequately conduct the business of the organization. At a minimum, the board should meet four times a year with the required quorum present.

- (4) The organization should have written policies that address attendance and participation of board members at board meetings and include a process to address noncompliance.
- (5) Written meeting minutes reflecting the actions of the board, including reports of board committees when acting in the place of the board, must be maintained and distributed to board and committee members. Minutes must include attendees, financial reports, and approval of budgets, agreements or contracts.
- (6) Bylaws should specify what constitutes a quorum.
- (7) Organizations must have a board adopted and publicly displayed commitment to diversity, equity, and inclusion.
- (8) Organizations should have a written policy with special attention to the following:
  - a. A board approved policy that confirms the organization's commitment to providing an environment free from sexual harassment, including a commitment to investigate credible allegations.
  - b. A board approved strategic plan to ensure that volunteers and staff broadly reflect the diversity of the community served and to provide recurring training on the disparities that exist between groups of different ages, ethnicities/races, gender/sexual identities, and health status.
  - c. A board adopted statement opposing all forms of racism.

### III. CONFLICT OF INTEREST

#### A. CONFLICT OF INTEREST POLICY

- (1) Nonprofits should have a written conflict of interest policy. The Policy should be applicable to board members, staff, and volunteers who have significant independent decision-making authority regarding the resources of the organization. The policy should identify the types of conduct or transactions that raise conflict of interest concerns, should set forth procedures for disclosure of actual or potential conflicts, and should provide for review of individual transactions by the uninvolved members of the board of directors.

#### B. CONFLICT OF INTEREST STATEMENTS

- (1) Nonprofits should provide board members, staff and volunteers with a conflict of interest statement which summarizes the key elements of the organization's conflict of interest policy. The conflict of interest statement should provide space for the board member, employee or volunteer to disclose any known financial interest which the individual, or a member of the individual's immediate family, has in any business entity which transacts business with the organization. Members should abstain from voting on issues that present a conflict of interest. The statement should be provided to and signed by board members, staff, and volunteers both at the time of the individual's initial affiliation with the organization and at least annually thereafter.



## IV. HUMAN RESOURCES

### A. PERSONNEL POLICIES

- (1) A nonprofit should have written personnel policies and procedures, approved by the board of directors, governing the work and actions of all employees and volunteers of the organization. In addition to covering basic elements of the employment relationship (e.g. working conditions, work-related expenses, employee benefits, vacation and sick leave), the policies should address employee evaluation, grievance procedures, confidentiality of records and information, and employee growth and development.
- (2) With respect to volunteers serving in a staff role and unpaid interns, the organization's policies and procedures should address recruitment, initial assessment or screening, assignment to and training for appropriate work responsibilities, supervision, evaluation, and opportunities for advancement.

### B. PERFORMANCE EVALUTION

- (1) Organizations should have a system in place for regular written evaluation of employees and volunteers by their respective supervisors, which should take place on an annual basis.

### C. ORIENTATION

- (1) New employees and volunteers serving in a staff role or unpaid interns of the organization should receive an orientation, which includes review of the organization's personnel policies and procedures as it relates to their role and be provided a copy of Personnel and/or Volunteer Policies and should acknowledge receipt in writing.

## V. FINANCIAL AND LEGAL

### A. FINANCIAL ACCOUNTABILITY

- (1) A nonprofit must operate in accordance with an annual budget which has been approved by the board of directors.
- (2) The financial condition of the agency should be satisfactory to sustain the ongoing operations and programs of the agency.
- (3) The organization must provide United Way with annual financial documentation according to the following chart based on total allocations from United Way of Northeast Louisiana.

UWNELA allocation up to \$25,000 Latest Financial Records

\$25,000 to \$50,000 Financial Compilation

\$50,000 to \$100,000 Financial Review

Over \$100,000 Independent Audit

These statements must include details of program funding and address compliance with the United Way Partner Agency Agreement and the United Way Agency Standards. The audit/review/compilation must be prepared by an independent Certified Public Accountant in accordance with AICPA generally accepted auditing standards for non-profits. An updated copy of the audit/review/compilation and the audit management letter (if any) must be submitted to United Way. These must be completed and submitted no later than six months after the close of the agency's fiscal year.

- (4) Internal financial statements should be prepared monthly and should be provided to board members at all regularly scheduled meetings of the Board of Directors. Financial Statements should identify variation between actual and budgeted

revenues and expenses. The agency should have an internal review process to detect possible over-expenditures and a contingency plan to deal with over-expenditures.

- (5) Organizations should provide employees a confidential means to report suspected financial impropriety or misuse of organizations resources.
- (6) Organizations should have written financial policies governing: (a) investment of the assets of the organization, (b) internal control procedures, (c) purchasing practices, (d) unrestricted current net assets and (e) cash reserves. The banks with which the agency does business must be furnished board resolutions authorizing bank accounts and designating not fewer than 2 signatories who are officers designated by the President for approval of expenditures to co-sign/approve expenditures. Agencies with exceptions must demonstrate compliance to local board approved policy or national organization policy.
- (7) The board must approve a Partner Agency Agreement (contract) with United Way of Northeast Louisiana annually or as requested by United Way.

## B. LEGAL COMPLIANCE AND ACCOUNTABILITY

- (1) Nonprofits must be aware of and comply with all applicable federal, state, and local laws. This may include, but is not limited to, the following activities: complying with laws and regulations related to fundraising, licensing, financial accountability, human resources, lobbying and political advocacy, and taxation.
  - a. The agency must be registered and in good standing as a not-for-profit corporation in the state of Louisiana.
  - b. The agency must have a current tax-exempt 501(c)3 status.
- (2) Organizations should periodically assess the need for insurance coverage in light of the nature and extent of the organization's activities and its financial capacity. Coverage should include but not be limited to general liability insurance and Directors and Officers liability insurance. A decision to forego general liability or Directors and Officers liability insurance coverage shall be made by the board of directors only and shall be reflected in the minutes of the meeting at which the decision was made.
- (3) Nonprofits should periodically conduct an internal review of the organization's compliance with known existing legal, regulatory and financial reporting requirements and should provide a summary of the results to the board of directors.

## VI. OPENNESS

### A. ANNUAL REPORT

- (1) Nonprofits should prepare, and make available annually to the public, information about the organization's mission, program activities, and basic financial data. The report should also identify the names of the organization's board of directors with terms of service, board meeting dates and meeting places, management staff, and registered agent.

### B. PUBLIC ACCESS

- (1) Nonprofits should provide members of the public who express an interest in the affairs of the organization with a meaningful opportunity to communicate with an appropriate representative of the organization.
- (2) Nonprofits should have at least one staff member who is responsible for ensuring compliance with both the letter and the spirit of federal and state laws that require disclosure of information to members of the public.

## VII. FUNDRAISING

### A. AGENCY FUNDRAISING ACTIVITIES

- (1) A nonprofit's fundraising costs should be reasonable over time. On average, over a five-year period, a nonprofit should realize charitable contributions from fundraising activities as set by the board (i.e., at a minimum, revenues from fundraising activities should equal three times the amount spent on fundraising). Organizations should demonstrate that they are making steady progress toward achieving this goal or should be able to justify why the goal has not been met.
- (2) Solicitation and promotional materials should be accurate and truthful. Materials should correctly identify the organization, its mission, and the intended use of the solicited funds.
- (3) All statements made by a nonprofit in its fundraising appeals, concerning the use of a contribution, should be honored.
- (4) Nonprofits should honor the known intentions of a donor regarding the use of donated funds.

### B. UNITED WAY FUNDRAISING POLICIES

- (1) United Way will solicit corporate contributions for the Community Aspirations, Goals, and Strategies. Many corporations prefer to support agencies through their United Way contribution and, accordingly, do not contribute directly to partner agencies. Partner agencies should be sensitive to this preference throughout the year and support United Way's efforts.
- (2) Partner agencies are encouraged to support United Way fund raising efforts during the community-wide campaign.

- (3) Partner agencies are asked to consider the fundraising activities of UWNELA and its partner agencies in their planning. Similar events or overlapping dates for fundraising activities make all efforts more difficult and reduce the level of success.
- (4) Partner agencies must be aware of and adhere to UWNELA branding standards.

#### C. DONOR RELATIONSHIPS AND PRIVACY

- (1) Nonprofits should respect the privacy of donors and safeguard the confidentiality of information that a donor would reasonably expect to be private.
- (2) Nonprofits should provide donors an opportunity to state that they prefer to remain anonymous. Donors should also be able to prevent the release of their names, the amounts of their gifts, and/or other information.
- (3) Nonprofits should provide donors an opportunity to have their names removed from any mailing lists, which are sold, rented, or exchanged and should have the donor's written permission prior to selling, renting and/or exchanging mailing lists.
- (4) Nonprofits should honor requests by a donor to curtail or stop repeated mailings or telephone solicitations from in-house lists.
- (5) Solicitations should be free from undue influence or excessive pressure and be respectful of the needs and interests of the donor or potential donor.

#### D. DONOR CHOICE POLICY

Donors are encouraged to make contributions that will be allocated by volunteers through the Community Aspirations, Goals, and Strategies.

- (1) If donors choose to designate their contribution, they may do so through the

Specific Care Form to a specific United Way agency, other 501(c)3 health and human service agencies, or to a Community Aspiration.

- (2) Designations are a separate stream of funding to agencies and are in addition to Community Aspirations, Goals, and Strategies funding.
- (3) No partner agency may solicit designations. Solicitation is defined as written or verbal communications requesting or encouraging designations to a specific agency.
- (4) Partner agencies failing to comply with this policy will be considered in violation of their Agency Agreement with United Way of Northeast Louisiana.

#### E. ACCEPTANCE OF GIFTS

- (1) An organization should have policies in place to govern the acceptance and disposition of charitable gifts, solicited or unsolicited, that are received in the course of its planned or unplanned fundraising activities. These policies should include procedures to determine any limits on individuals or entities from which the organization will accept a gift, the purposes for which donations will be accepted, the type of property which will be accepted, and whether to accept an unusual or unanticipated gift in light of the organization's mission and organizational capacity.

#### F. EMPLOYMENT OF FUNDRAISING PERSONNEL

- (1) Fundraising personnel, including both employees and independent consultants, should not be compensated based on a percentage of the amount raised or other commission formula.



- (2) When utilizing fundraising consultants, organizations should use the services of a reputable fundraiser with documented experience. The organization should be responsible for setting policy regarding experience requirements.
- (3) Organizations should have a written policy to establish standards for board members, staff, volunteers, and consultants who are known to be soliciting contributions on behalf of the organization.

## VIII. PUBLIC AFFAIRS AND PUBLIC POLICY

### A. PUBLIC POLICY ADVOCACY

- (1) Nonprofits should have a written policy on advocacy defining the process by which the organization determines positions on specific issues.

### B. PUBLIC EDUCATION

- (1) Nonprofits should ensure that all educational information provided to the media or distributed to the public is factually accurate and provides sufficient contextual information to be understood.

### C. PROMOTING PUBLIC PARTICIPATION

- (1) Nonprofits engaged in promoting public participation in community affairs should be diligent in ensuring that the activities of the organization are strictly nonpartisan.