

# Collective Impact Partner Memorandum of Agreement 2018-2021



## I. Overview

This Partner Memorandum of Agreement (PMOA) defines the cooperative and mutually beneficial relationship between United Way of Southwest Michigan (UWSM) and its Collective Impact Partners. It recognizes that both entities are autonomous, and are drawn together through the shared goal of utilizing available resources for the greatest impact in Berrien and Cass counties. Both entities understand that this is a voluntary relationship requiring teamwork, understanding, and cooperation for the benefit of the entire community.

United Way of Southwest Michigan fights for the health, education, and financial stability of every person in every community. To do this, we focus on creating measurable opportunities for communities in Southwest Michigan to succeed and thrive, with an emphasis on addressing the areas of greatest need. As a result of this response, we will direct all of our resources to specific long-term goals in the areas of Education, Income, Health and Basic Needs.

UWSM agrees to provide funding in support of the collective impact effort listed below.

## II. Award

- Impact Area:
  
- Collective Impact Effort:
- Fiscal Agent:
- Amount:
  
- Projects:
- Measurement System/Tools:

## III. Contingencies and Caveats

Contingencies are defined as issues or concerns that are raised about one or more of the projects, or about the collaboration's capacity. Caveats are defined as stipulations that dictate how funding is or is not to be used. Contingencies and caveats may be issued at any point during the funding period, the application process, or after the funding has been awarded. Often, contingencies will need to be resolved before the funding will be awarded. See Appendix A and Appendix F for details.

## IV. Funding Period

The effective funding cycle is July 1, 2018 through June 30, 2021, unless otherwise indicated. Funding will be reviewed annually and may be increased or decreased based on campaign results and collections. All allocation adjustments will require approval by UWSM's Board of Directors. A yearly application process will not be required. See Appendix B for details.

## **V. UWSM will:**

- Provide capacity building opportunities and increase skill development for Collective Impact Partner representatives to enhance the collaboration's ability to conduct its mission
- Inform the community about the positive impact of the entire UWSM network of Funded and Collective Impact Partners through a comprehensive communications and marketing program, when appropriate
- Conduct an annual community-wide fundraising campaign and use its best efforts and practices to solicit gifts and contributions to support work in the focus areas of Education, Income, Health and Basic Needs for Southwest Michigan
- Recognize the responsibility and authority of each Collective Impact Partner through its governing body to determine its own policies and manage its own projects within the scope and spirit of this agreement
- Utilize trained volunteers and staff who sign both a conflict of interest and confidentiality statement in matters regarding the making of Community Impact funding decisions; facilitate a process that makes recommendations to achieve the greatest impact in meeting the current social service needs of the community as outlined in the Community Impact Agenda for Change that is approved by UWSM Board of Directors
- Accept donor designated funds to specified eligible Collective Impact Partners; (donor designations are honored above and beyond the regular community impact process). Collective Impact Partners will receive designations less uncollectible pledges to be paid out quarterly in compliance with United Way Worldwide's Standard M requirements.

## **VI. Collective Impact Partners will:**

- Maintain up to date contact information for the agency with UWSM staff
- Adhere to all Partner Memorandum of Agreement (PMOA) expectations
- Ensure that fiscal agent complies with and supports all applicable laws concerning unlawful discrimination and has a written policy that is in compliance with such laws
- Conduct an annual United Way fund-raising campaign among your employees and governing body members (See Appendix D)
- Support undesignated giving to the United Way campaign. This includes not actively soliciting in the workplace for designated contributions or for payroll deduction gifts independently of UWSM and not advertising or promoting the UWSM campaign as a vehicle for designating contributions. To that end, no employee or governing body member can designate their contribution to their own initiative or project (see Appendix D)
- Not affiliate with a fundraising campaign that operates in competition with UWSM (see Appendix D)
- Support UWSM in the community with co-marketing efforts including but not limited to identifying your collaboration as a Collective Impact Partner with use of the UWSM logo, providing speaker for events, hosting program tours and educating staff and volunteers about UWSM; national or regional barriers of these efforts should be discussed with UWSM staff (see Appendix C)
- Submit timely and complete 6-month progress reports (see Appendix E)
- Participate periodically in 3<sup>rd</sup> party evaluations upon request from UWSM (see Appendix E)
- Allow United Way Funded Partners to engage in Collective Impact work, as appropriate and applicable (see Appendix J)
- Have lead staff person participate in quarterly Partner meetings
- Have lead staff person and/or appropriate staff attend applicable training opportunities, including but not limited to trainings for outcomes, reporting, and evaluation
- Ensure that fiscal agent completes timely filing and renewal of all relevant organizational documents, including Solicitation Registration and 990

## **VII. Conditions**

All funding must be used in accordance with all applicable procedures and the following stipulations. Please read the following carefully:

### **1. Type of Investment**

This funding is issued through the multi-year COMMUNITY IMPACT FUND. This agreement allows for funding to a program, strategy, initiative, or collaborative that aligns with the 2018-2021 Community Impact Agenda for Change.

### **2. Governance**

Collective Impact Partner agrees to maintain a responsible governing body whose members serve without pay, are representative of the community, and meet at regular intervals. Information regarding governance and management of the collaboration (articles of incorporation, and written policies and procedures) will be made available upon request.

### **3. Outcomes Based Funding**

UWSM's mission and business model reflect a focus on measuring outcomes for funded programs, initiatives, and strategies. Details regarding outcome alignment, revisions of outcomes, indicators and related data, and use of on-line data reporting tools are outlined in Appendix E.

### **4. Financial Reporting Requirements**

Collective Impact Partner and fiscal agent agree to keep comprehensive and accurate financial records that conform to basic accounting and financial reporting requirements and to have these records audited or reviewed annually by an independent auditing firm. Three different levels of requirements have been established that are based on the overall budget of the Collective Impact Partner's fiscal agent. Details regarding these requirements are outlined in Appendix E.

### **5. Counterterrorism**

All fiscal agencies are required to complete and submit a Counterterrorism Compliance Form, in compliance with United Way Worldwide requirements.

### **6. Restrictions on Funds**

Funds issued through the Community Impact Fund are 'restricted' funds and are to be used to support the operation of only the strategies, programs, or initiatives listed in section II of this document. To that end, funds are permitted for all expenses related to the specific strategies, program, or initiatives, including staff, materials, evaluation and other overhead expenses specifically attributed to the program. Community Impact Funds are not permitted to be used as general organization operating dollars.

### **7. Payment Terms**

In an effort to expedite the transfer of funds, Collective Impact Partners are required to provide a completed copy of the Electronic Payment Authorization Form. UWSM will disburse one-twelfth of the funds on a monthly basis beginning July 2018, or upon all representatives of all parties agreeing to the terms of the PMOA. This payout schedule may be altered to meet the specific project needs reflected in this request. Such arrangements must be made prior to July 1, 2018. All funds will be disbursed electronically to the financial institution of choice, payable to the fiscal agent of the Collective Impact Partner. Any unused funds for the funding year must be returned to UWSM unless a

special approval for extension has been authorized in writing from UWSM. See Appendix I for information regarding “Donor Designated Funds”.

**8. Termination Options**

With cause, UWSM or any collaboration receiving UWSM funding may terminate the funding relationship between the two entities at any point during the funding cycle. The UWSM Board of Directors will afford due process to a Collective Impact Partner. If funding is terminated, any unused funds must be returned, and funds that are balance due upon termination will be immediately forfeited. See Appendix F for details.

**9. Acceptance of Funding**

Signing this agreement indicates acknowledgement and acceptance of the terms outlined above and in all appendices.

**10. UWSM Position Statement on Inclusion**

UWSM respects the rights of its funding recipients to pursue their own organizational principles and values within the boundaries of the law. UWSM recognizes that, especially in our pluralistic society, funding recipients will have underlying values and principles that may vary from one organization to another. UWSM will strive to keep an open door to consider funding for all of them. As good stewards of our donor’s contributions, our concern is with a given organization’s ability to produce measurable results in the focus areas of Education, Income, Health, and Basic Needs and their impact on the 2018-2021 Community Impact Agenda for Change.

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**Collective Impact Partner Name**

\_\_\_\_\_

Collective Impact Lead Staff Signature

\_\_\_\_\_

Collective Impact Lead Staff Printed Name

\_\_\_\_\_

Date

\_\_\_\_\_

Governing Body Chairperson Signature

\_\_\_\_\_

Governing Body Chairperson Printed Name

\_\_\_\_\_

Date

\_\_\_\_\_

Fiscal Agent Director Signature

\_\_\_\_\_

Fiscal Agent Director Printed Name

\_\_\_\_\_

Date

**United Way of Southwest Michigan**

\_\_\_\_\_

Andy Jansen  
Board Chairman, UWSM

\_\_\_\_\_

Date

\_\_\_\_\_

Anna Murphy,  
President, UWSM

\_\_\_\_\_

Date

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX A: Contingencies and Caveats**

Contingencies are defined as issues or concerns that are raised about one or more of the projects or about the collaboration's capacity. Caveats are defined as stipulations that dictate how funding is or is not to be used.

Contingencies and caveats may be issued at any point during the funding period, the application process, or after the funding has been awarded. The desire to issue contingencies or caveats may be initiated by UWSM staff and/or volunteer members of UWSM Investment Teams, Impact Cabinet, or Board of Directors. For details regarding this process, please refer to Appendix F.

Contingencies and caveats related to this funding are outlined below:

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX B: Allocation Adjustments**

The funding cycle begins July 1, 2018 and runs through June 30, 2021, unless otherwise indicated. Funding will be reviewed annually, and may be increased or decreased based on campaign results and collections. All allocation adjustments will require approval by UWSM's Board of Directors. A yearly application process will not be required.

#### **Allocation Increases:**

- If the UWSM campaign surpasses its community fundraising goal, there is potential for Collective Impact Partners to receive an increase in their allocation amount.
- Increases will be dispersed in an equitable manner, based on current allocation amounts and a proportionate formula determined by the UWSM Board of Directors.
- Collaborations must be "in good standing" to be eligible for increases, meaning that they are meeting all obligations and responsibilities outlined in this document. UWSM volunteers (Investment Teams, Impact Cabinet, Board of Directors) will determine "in good standing" status for all agencies, based on adherence to obligations stated in PMOA.
- Allocation increases must apply to the project(s) funded by UWSM, as identified in this document. If for some reason the collaboration cannot use or does not need additional funds for said program(s), UWSM is to be notified immediately.

#### **Allocation Decreases:**

- If the UWSM campaign does not reach its community fundraising goal, there is potential for Collective Impact Partners to receive a decrease in their allocation amount.
- Decreases will be dispersed in an equitable manner, based on current allocation amounts and a proportionate formula determined by the UWSM Board of Directors.
- If the allocation reduction puts the long-term viability of the project(s) funded by UWSM at significant risk, UWSM is to be notified immediately.

## PARTNER MEMORANDUM OF AGREEMENT

### APPENDIX C: Co-Marketing Requirements

Collective Impact Partner agrees to support United Way during its fundraising campaign and in the community in the ways identified below and understands that failure to participate may lead to a reduction or elimination of funding.

Category	Description
<b>UWSM Branding</b>	<p>The “<i>United Way of Southwest Michigan</i>” logo must be present <u>or</u> United Way must be mentioned in as many of the following ways as possible:</p> <ul style="list-style-type: none"><li>• Places of operation visited by customers/clients where funded project(s) take place, including the use of a UWSM logo window cling</li><li>• Collateral/printed materials for the funded project(s) – such as newsletters, brochures or pamphlets, etc.</li><li>• Identification on website and link to <a href="http://www.uwsm.org">www.uwsm.org</a></li><li>• Listings of collaboration and project funders, including annual report</li><li>• Press releases about the funded project(s)</li><li>• Special events (e.g., annual meetings, fundraising events, etc.)</li></ul>
<b>Speakers and tours</b>	<ul style="list-style-type: none"><li>• Provide speaker(s) who have been trained by UWSM staff to deliver a community-wide message, especially during United Way campaign, if applicable.</li><li>• Host project/facility tours and organize volunteer projects (where relevant).</li></ul>
<b>Education</b>	<p>Educate employees and volunteers about the unique opportunity United Way provides for our whole community to work together, as well as the <i>specific</i> work United Way supports through your collaboration.</p>
<b>Success Stories/ Photographs</b>	<p>Provide success stories and examples that may be incorporated into United Way’s ongoing donor communications efforts throughout the year, and photographs when client confidentiality is not in jeopardy.</p>



**PARTNER MEMORANDUM OF AGREEMENT**

**APPENDIX D: Fundraising Parameters**

<b>Category</b>	<b>Description</b>
<p><b>Conducting a United Way Fundraising Campaign</b></p>	<p>All UWSM Collective Impact Partners are required to conduct an annual United Way fundraising campaign among their employees and governing body members. UWSM staff will provide collaborations with the resources to conduct a campaign. The collaborative also agrees to support the UWSM Speakers Bureau and Days of Action (e.g. Day of Caring) projects, as needed.</p> <p>The campaign must be led by UWSM staff and must stress giving to the United Way Community Impact Fund, the undesignated pool of resources.</p> <p>The collaboration agrees to support undesignated giving to the UWSM annual campaign. The collaboration will refrain from:</p> <ul style="list-style-type: none"> <li>• Soliciting in the workplace for designated contributions</li> <li>• Advertising or promoting the UWSM campaign as a vehicle for designated contribution; to that end, no employee or governing body member can designate their contribution to their own collaboration or project</li> </ul>
<p><b>Fundraising</b></p>	<p>The Collective Impact Partner agrees to join with UWSM and other organizations in community-wide efforts to raise funds to meet human service needs within Southwest Michigan. Nothing in this PMOA shall limit the Collective Impact Partner’s right or ability to conduct fundraising activities on an independent basis.</p> <p>The Collective Impact Partner will:</p> <ul style="list-style-type: none"> <li>• Not affiliate with a coordinated, community-wide fundraising campaign that operates in competition with UWSM, that takes place in the time period from the UWSM Campaign Kickoff to the Campaign Celebration</li> <li>• Notify UWSM at least 30 days in advance of the commencement of a capital or major gifts campaign</li> </ul>

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX E: Reporting and Evaluation**

UWSM has a particular responsibility to be good stewards of the dollars donated to us. Every six months, all Collective Impact Partners are required to submit reports on collaborative information and compliance, client demographics, project outcomes, and results achieved. Additionally, some projects may be required to submit quarterly reports in order to resolve their contingencies.

Examples of reporting requirements include, but are not limited to:

- Collaborative information and compliance
- Client demographics
- Financial statements
- Project outcomes and results

#### **Evaluation Philosophy**

At United Way of Southwest Michigan, we believe that evaluation is a method for not only measuring the impact we have on the community, but also for learning how we can improve our efforts.

All Collective Impact Partners are expected to:

- Conduct evaluation of systems improvements that examines the projects that are helping to build stronger communities
- Help summarize and analyze evaluation data and use it for process improvement
- Report the results of their evaluations to UWSM through the appropriate reports via the designated online system
- Participate periodically in 3rd party evaluations upon request from UWSM

#### **On-line Data Management (e-CImpact)**

- All Collective Impact Partners agree to have 2 staff trained at all times to use UWSM's on-line data management system for data entry
- UWSM will provide periodic training and technical assistance for entering data into UWSM's on-line data management system
- Collective Impact Partners are responsible to know and protect their assigned password. UWSM assumes no responsibility for lost or misplaced passwords
- UWSM reserves the right to utilize the on-line data management system of its choice, which could include transitioning to a new system in the midst of a funding cycle

#### **Revisions and Changes**

- If a Collective Impact Partner wishes to revise the systems improvements projects outlined in section II on page 1 of this document, the organization must notify the Director of Programs and Evaluation prior to making any changes, providing proper justification
- Failure to obtain UWSM approval for these changes could jeopardize the funding agreement

## **Accountability**

Collective Impact Partner is held accountable for the targets projected for the indicators listed in the application. It is expected that targets be projected with full supporting information. Progress towards targets will be evaluated biannually. Each Collective Impact Partner is responsible to maintain back-up copies of all data submitted to UWSM.

## **Client Confidentiality and Data Sharing**

- UWSM has full rights to use data to advance the work of the community agenda
- All data submitted to UWSM through the application process and reports are considered the property of UWSM. As such, UWSM reserves the right to aggregate Collective Impact data with other similar partners and use it across the organization for communication materials, presentations during the fundraising campaign and for developing “best practices” materials that can be shared with other organizations
- Individual client confidentiality is protected and UWSM will NEVER disclose a clients’ name or photo without prior consent and approval from partner and client

## **Financial Reporting Requirements**

The following financial documents must be submitted with the biannual progress report for the Collective Impact Partner’s fiscal agent:

- For agencies with annual revenue less than \$125,000 – agreed upon procedures as agreed to by a CPA, UWSM, and the Funded Partner, including, but not limited to: a detailed review of bank activity, review of approvals for disbursements and support for deposits, and other transactional testing
- For agencies with annual revenue more than \$125,000 but less than \$250,000 – review prepared by a CPA,
- For agencies with annual revenue of \$250,000 or more – CPA prepared independent audit and management letter
- Most recent 990 EZ or 990 Core
- Monthly organizational balance sheets from the prior six months
- Monthly organizational income statements from the prior six months
- Project budget for current funding year

## **Reporting Deadlines**

- Progress reports for the period of January 1st-June 30th are due by July 31st of each year of the funding cycle.
- Progress reports for the period of July 1st-December 31st are due by January 31st of each year of the funding cycle.
- No extensions of the deadline(s) will be granted for reports.
- Partners that do not have their report(s) completed by 11:59 p.m. on the due date will forfeit their allocation for that month.
- If the report is more than 2 weeks late, the partner will forfeit its allocation for the month following the due date.
- Partners will continue to forfeit monthly allocations until United Way of Southwest Michigan has received such reports.
- Funding will automatically be terminated for any partner that is three (3) months delinquent with reporting.

## **Evaluation Process**

- Funding recommendations and progress report reviews are completed by a group of volunteers called the Impact Cabinet.
- Additionally, a financial review process may be utilized to analyze financial statements of the fiscal agent of Collective Impact Partners to provide insight into the viability of an organization to continue to deliver the projects listed in section II of this document.
- Feedback and requests for clarification developed in this process will be communicated to Collective Impact Partners, with deadlines included if follow-up is required from the organization.
- When significant concerns arise or persist in an organization, that Collective Impact Partner will be placed on “Monitoring and Support” (See Appendix F).

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX F: Monitoring and Support**

#### **Policy**

United Way of Southwest Michigan will verify that Collective Impact Partners are in compliance with all funding requirements as outlined in this PMOA.

#### **Reasons For Monitoring and Support**

A collaboration may be placed on Monitoring and Support for infractions, which may include, but are not limited to, the following:

- Concerns about project quality and/or effectiveness identified by UWSM staff and/or volunteers
- Financial concerns that cause the fiscal agent to receive unsatisfactory annual financial reviews or audits
- Financial concerns that threaten the collaboration's ability to continue to deliver the specified project(s)
- Significant changes to the project that affects the scope of work, project design, quality of services, and/or measurement of outcomes
- Failure to adhere to established reporting deadlines
- Submitting incomplete, inadequate, and/or inaccurate reports
- Breach of federal, state and/or local laws

#### **Procedures**

##### **1. Determination of Monitoring and Support**

In the event that a concern is identified by UWSM staff and/or volunteers, UWSM will contact the collaboration to clarify the issue(s). Following this contact, UWSM staff and/or volunteers will make a determination as follows:

- a. Concern is resolved and no further action is required.
- b. Concern is not resolved and staff refers the matter to a volunteer team for further investigation.
- c. Concern is not resolved but the matter is serious and is turned over without delay to the Chair of the Impact Cabinet to determine if funding should be withheld immediately.

##### **2. Oversight of Monitoring and Support**

A team comprised of volunteers will be appointed by the Impact Cabinet to investigate collaborations in jeopardy of losing funding. This team will work closely with collaborations to develop contingencies or caveats, and is responsible for monitoring a collaboration's progress to address these concerns. The team makes funding recommendations to the Impact Cabinet to withhold, reinstate, or forfeit monthly allocations, or if necessary, recommend that a collaboration be de-funded.

##### **3. Volunteer Guidelines**

- When a collaboration is placed on monitoring and support, UWSM will notify the collaboration and its governing body chair in writing and request a meeting within 30 days to discuss issuing possible contingencies or caveats.
- This meeting is intended to give a collaboration the opportunity to seek further clarification and receive guidance on expected actions.

- The volunteer team will review resolution of contingencies or caveats and will notify the collaboration of its decision to approve the proposed changes.

#### **4. Monitoring Contingencies**

The volunteer team is responsible for monitoring a collaboration's progress to address contingencies or caveats and provide status reports to the Impact Cabinet. While the intent of the volunteer team is to help collaborations achieve a successful resolution of the problem, the volunteer team will give serious consideration to withhold, forfeit, or recommend that a collaboration be de-funded when any of the following occurs:

- a. Collaboration is unable to meet deadlines and/or achieve key outcomes.
- b. Collaboration is not willing to address concerns and is unwilling to participate in the volunteer program.
- c. Collaboration is placed on Monitoring and Support more than once during a funding cycle.

#### **5. Successful Completion of Contingencies and Caveats**

Once a collaboration has successfully resolved contingencies or caveats, the volunteer team will make a recommendation to the Impact Cabinet to remove the collaboration from monitoring and support.

Unsuccessful Completion of Contingencies and Caveats

If a collaboration does not resolve contingencies or caveats, UWSM may choose to terminate funding. See Appendix G for details.

#### **6. Forfeited funds can be reallocated to:**

- Other agencies, partnerships or initiatives that provide projects that meet current funding criteria.
- Forfeited funds will be transferred back to the Community Impact Fund. These funds must be used by UWSM to support other community-based programs and services, and not transferred to support general operational costs of UWSM.
- Under no circumstance do collaborations forfeiting funds have the authority to transfer or negotiate UWSM funding with other entities.

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX G: Change in Funding Status**

#### **Policy**

With cause, United Way of Southwest Michigan (UWSM) or any collaboration receiving UWSM funding may terminate the funding relationship between the two entities. The UWSM Board of Directors will afford due process to a Collective Impact Partner. The following procedures will be followed. In cases where a collaboration receiving UWSM funding has been determined to be involved in grossly illegal activities, UWSM reserves the right to terminate the funding relationship between the two entities immediately.

#### **Procedures**

##### **1. Termination by a Collective Impact Partner**

- A letter of intent should be submitted to UWSM's Board of Directors no less than 30 days in advance of the date the termination is effective. The Chair of the governing body should sign the letter.
- Notice should be submitted in writing, and a copy of the letter should be sent to the Chair of the UWSM Impact Cabinet.
- All funding will be withheld, effective immediately, when UWSM receives written notice of this request and until final decisions are approved.

##### **2. Termination of Funding Relationship by UWSM for Cause**

Causes for UWSM to terminate a funding relationship may include, but are not limited, to the following:

- A collaboration in good standing no longer aligns with funding priorities.
- A collaboration fails to meet responsibilities outlined in the Partner Memorandum of Agreement and other fund distribution policies and procedures.
- Funded collaboration ceases operations or the project for which a collaboration is receiving funding is no longer in operation.
- A collaboration is not successful in resolving Monitoring and Support issues (Appendix I).
- There is a breach of federal, state or local law.
- Significant changes are made to projects that affect the scope of work, project design, and/or quality of services provided.

##### **3. Immediate Termination**

UWSM can immediately terminate a funding relationship if a the fiscal agent of a Collective Impact Partner loses its exemption from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

##### **4. Steps to End Funding Affiliation**

#### **Exit Strategy**

- If a Collective Impact Partner is unable to resolve monitoring and support issues, a volunteer team (including at least one Impact Cabinet member and/or UWSM Board member) will make a formal recommendation to the Impact Cabinet that outlines the circumstances and all actions taken to resolve the matter.
- The recommendation to terminate the relationship must be approved by the Impact Cabinet and the UWSM Board of Directors before any action is taken.

- A copy of this recommendation will be mailed to the collaboration’s lead staff person and the chair of the governing body.
- When the Impact Cabinet and Board of Directors approve the exit strategy of a collaboration, UWSM will notify the collaboration’s lead staff person and the chair of the governing body in writing through certified mail. The letter will outline the remaining terms of the funding agreement as follows:
  - a. Effective immediately, all allocations will cease to exist.
  - b. If the relationship is terminated in a given fiscal year after campaign materials have been printed, starting with the next fiscal year, the de-funded collaboration will cease to be listed on UWSM campaign materials.
  - c. The collaboration is no longer eligible to participate in UWSM Speakers Bureau or other programs.
  - d. Once de-funded, implied endorsement or use of the United Way of Southwest Michigan logo or other labeling is not permitted.

**5. Forfeited funds may be reallocated to:**

- Other agencies, partnerships or initiatives that provide projects that meet current funding criteria.
- Forfeited funds will be transferred back to the Community Impact Fund. These funds must be used by UWSM to support other community-based programs and services, and not transferred to support general operational costs of UWSM.
- Under no circumstance do agencies forfeiting funds have the authority to transfer or negotiate UWSM funding with other entities.



## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX H: Strategic Alliances and Mergers**

#### **Policy**

United Way of Southwest Michigan (UWSM) will support mergers and strategic alliances between the fiscal agent of Collective Impact Partners that demonstrate relevancy to UWSM funding priorities at the time of an alliance, merger and/or acquisition. UWSM will provide technical assistance for the Collective Impact Partners that are interested in forming/entertaining a strategic alliance/merger. Technical assistance will be provided to alliance partners to facilitate the timely, efficient and amicable implementation of the alliance plan. Strategic restructuring efforts should also result in services that improve the lives of individuals and communities in accordance with the mission of UWSM.

The UWSM Board of Directors reserves the right to reevaluate the funding for each entity as a result of a merger. Final funding decisions will be made once the consolidation is complete and UWSM has received the required documentation.

Mergers between funded and non-funded organizations in the region will be considered on a case-by-case basis, but all funding should continue to support individuals and families living in Southwest Michigan.

#### **Procedures**

##### **1. Interest in Discussing a Strategic Alliance or Merger**

The fiscal agent of Collective Impact Partners should notify UWSM if two or more agencies are interested in exploring a formalized alliance. Fiscal agents that choose to independently meet to explore opportunities for strategic restructurings other than mergers are not required to involve UWSM in their discussions or report this to UWSM.

##### **2. Notice of a Merger**

If organizational discussions result in a merger, the fiscal agent of the Collective Impact Partner should notify UWSM of the planned changes in writing as soon as possible, but no later than three months before the merger is completed and formally recognized by the State. At this time, United Way may hold the allocation for the initiative involved until information has been submitted regarding the details of the merger.

In addition, the Collective Impact Partner must submit information describing:

- The effect on service delivery, including information on what projects, if any, will be eliminated as a result of the merger.
- The effect on governance, management, administrative costs and the overall financial stability of the organization, and therefore the Collective Impact work.

##### **3. Oversight of the Merger and/or Acquisition Process by UWSM**

Once the UWSM staff is notified of a merger and/or acquisition, the matter is turned over to volunteers who are responsible for tracking the progress of the merger and/or acquisition. This team will work with the fiscal agent of the Collective Impact Partners to ensure that the necessary steps are followed and the required documentation from agencies is gathered and prepared for the Impact Cabinet to review as part of its final recommendation to the UWSM Board of Directors on whether to continue funding this project.

Depending on the circumstances of the merger and/or acquisition, a team of volunteers and UWSM staffs will work with the fiscal agent of the Collective Impact Partner to avoid any disruption in funding, as appropriate.

#### **4. Required Documentation to be submitted to UWSM**

After the transaction is complete, the Board of Directors of the entity assuming legal and fiscal responsibility of UWSM funding for this project shall provide United Way with the following information in writing:

Official date of merger and/or acquisition

- Date this change is to be effective (if different than the date of the merger and/or acquisition).
- A copy of the letter submitted to the Charitable Trust Section of the State of Michigan. This letter should address the following:
  - a. An explanation of the transaction
  - b. A copy of the merger agreement
  - c. A copy of the plan of merger
  - d. Articles of Incorporation of the non-survivor
  - e. IRS returns and audited financial statements for the last three (3) years
  - f. Information on the survivor agency
  - g. Articles of Incorporation on the survivor agency
  - h. IRS returns and audited financial statements for the last three (3) years on the survivor agency
- Letter from the Attorney General that recognizes the dissolution of the acquired organization.
- Updated roster of the Board of Directors.
- Other information as requested.

#### **5. Funding Notification**

After the merger and/or acquisition is complete and the fiscal agent has submitted all required documentation to UWSM, the Impact Cabinet, with Board approval, will make a final decision about the funding relationship and notify the fiscal agent and the Collective Impact Partner in writing of its decision.

##### **1. Notice to Continue Funding**

If a decision to continue the funding relationship is made, the entity assuming legal and fiscal responsibility of UWSM funding will receive a revised Memorandum of Understanding to be signed and returned to UWSM within 30 days of receipt.

##### **2. Notice to Terminate Funding**

UWSM reserves the right to terminate a funding relationship if: changes resulting from a merger and/or acquisition negatively impact the services provided by UWSM funding; or if the services planned following the consolidation are no longer aligned with UWSM funding priorities or needs at the time of the merger and/or acquisition. In this case, UWSM will utilize procedures outlined in the Affiliation Exit Strategy Policy.

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX I: Designation Guidelines**

UWSM will accept donor designated funds to specified eligible Collective Impact Partners. Donor designations are honored above and beyond the regular community impact process. Collective Impact Partners will receive designations less uncollectible pledge and board-approved established processing fee on a quarterly basis, in compliance with United Way Worldwide's Standard M requirements. Designation reports will not be sent to Collective Impact Partners, but will be available to access through Andar.

Donor designations are made at the organization level. Therefore, Collective Impact Partners have the discretion to direct those funds to any program at their organization that is funded by UWSM. All designated funds must be directed to a program funded by UWSM, and those funds must be reported as income in the budget report that is submitted as part of the six-month reporting process.

**If an employee or governing board member gift is self-designated through an employee/board campaign, it will not be honored as such, but rather the gift will be directed to the Community Impact Fund.**

The collaboration will promote the concept of giving to the UWSM Community Impact Fund and will not solicit direct donor designations of United Way pledge dollars.

UWSM reserves the right to withhold and forfeit the distribution of funds due to project or financial impropriety or failure to comply with the terms of this agreement until the issue(s) is resolved to the satisfaction of UWSM.

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX J: COLLECTIVE IMPACT ENGAGEMENT**

United Way of Southwest Michigan is an active member of multiple collective impact initiatives. As such, UWSM has made a commitment to redesign its work, where applicable, to support these initiatives. This means that it abides by the five conditions of collective impact (Common Agenda, Shared Measurement Systems, Mutually Reinforcing Activities, Continuous Communication, and Backbone Support Infrastructure).

One way that UWSM is engaging in this work is to ensure that its community impact investments are supporting and aligning with the interventions and metrics that each initiative has identified through their strategic plan. To that end, UWSM requires that Funded Partners that measure specific outcomes that align with collective impact work must actively engage in those initiatives, in whatever ways are appropriate and applicable. The specific outcomes are identified as such in the 2018-2021 Community Impact Agenda for Change.

The definition of what it means to actively engage will be determined by each collective impact initiative. The definitions, expectations, and applicable UWSM Funded Partners who are required to engage are listed below.

#### **Definition/expectations of engagement:**

#### **UWSM Funded Partners:**

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX K: FISCAL AGENT REQUIREMENTS**

United Way of Southwest Michigan acknowledges that Collective Impact Partners might not be independent organizations, but might be a collaboration of several independent organizations, with one serving as the fiscal agent. UWSM recognizes and respects the autonomy of the fiscal agent, as well as the relationship between the fiscal agent and the Collective Impact Partner.

To ensure that the work of the Collective Impact Partner is stable, and that UWSM dollars are being well managed, fiscal agent organizations must:

- Ensure timely filing and renewal of all relevant organizational documents, including Solicitation Registration and 990
- Comply with and support all applicable laws concerning unlawful discrimination and have a written policy that is in compliance with such laws
- Maintain a signed MOU with members of the governing body that outlines the role of the fiscal agent

## **PARTNER MEMORANDUM OF AGREEMENT**

### **APPENDIX L: FUNDING MATCH REQUIREMENTS**

UWSM Collective Impact Partners are required to provide a minimum 25% match in order to secure United Way funding. A minimum of 10% must be cash, while a minimum of 15% can be through in-kind support. The cash and in-kind support can come from numerous sources, as long as the total sum from each source meets the minimum requirements.

If the Collective Impact Partner already receives funding or in-kind support from UWSM, those dollars are not able to be used as the local match.