

Expansion of City of Asheville Employee Giving Campaign to include EarthShare NC Proposal

I. Background:

The City of Asheville participates in an annual campaign where City employees can make charitable contributions through voluntary payroll deduction or one-time gifts. The United Way of Asheville and Buncombe County (UWABC) manages the campaign and is the only federation that meets the eligibility guidelines to participate in the campaign. Donors are allowed to direct gifts to non United Way 501(c)(3) organizations. The following is a proposal to expand the campaign to include environmental giving options through inclusion of the EarthShare NC (ESNC) federation.

The following goals communicated by the council members, UWABC and ESNC are the basis of this proposal:

- A. Expand campaign to include the environment
- B. Emphasis on supporting the local community
- C. Cooperative solution that UWABC and ESNC support
- D. Engaging some portion of the 50% of employees not currently participating in UWABC campaign
- E. Retain the educational emphasis
- F. Retain city endorsement/importance placed on campaign
- G. Retain volunteer component- during campaign and year round
- H. Maintain support for UWABC programs and increase overall giving by offering more choices
- I. Limit impact on staff time

II. Revision to Eligibility Guidelines:

Proposed Guidelines:

The campaign is limited to:

- A. Federations that include at least 15 agencies that meet the remaining criteria
- B. Agencies must have an office in North Carolina and have programs and activities provided for the residents of Asheville/Buncombe County or that impact specific community needs and quality of life issues in Asheville/Buncombe County.
- C. Half of the agencies listed as part of the campaign must have an office, staff, or volunteers in Asheville/Buncombe County.
- D. Agencies meet federation standards (See attached standards of both federations)
 - 1) All partner agencies of each federation are either non profit, 501(c)(3) organizations or public entities
 - 2) All meet the standards of each federation determined by the lead organization
 - 3) Standards are understood and approved by city designee

Approving Charities:

- 1) Each federation, UWABC and ESNC, will present a summary of partner agencies who meet the benchmarks established for the City's Combined Campaign
- 2) A statement of impact or benefit of programs on the citizens of Asheville and Buncombe County will be included
- 3) This information will be shared with city designee for his/her review by June 1 of campaign year.
- 4) Questions or explanations will go back to each federation.

See Attachment A for the list of ESNC nonprofits that would meet the criteria in B and C.

III. Additional Elements of the Combined Campaign to be Included in the Standard Operating Procedure for the Campaign

- A. City Selects Campaign Administrator - we would ask that this be UWABC
 - 1) Combined campaigns typically make use of a single campaign manager, or administrator, to coordinate campaign activities with key personnel, print, distribute, and collect pledge forms, and to distribute funds donated by employees to the participating federations.
 - 2) The administrator typically recovers costs as a percent of campaign pledges. The city can determine the cap for this fee
 - 3) The administrator will provide a report to participating federations, providing all donor information and amounts for all pledges made to the federation and its members. The federation will ensure that all donors are acknowledged and pledges distributed to the designated agencies.
- B. Campaign Planning and Activities
 - 1) The Campaign Administrator will partner with the participating federations to develop and implement a campaign plan that is rewarding for city staff. This entails federation inclusion in the initial planning meeting with the City, and agreement on inclusion in campaign activities. The campaign will include time for employee rallies or educational meetings about the campaign and special events.
- C. Pledge Materials
 - 1) One pledge card will be developed that equally represents the federations included in the campaign, and that enables employees the ability to designate specific agencies within the federation. The City may also elect to permit employees to write-in agencies that are not a part of the eligible federations.
- D. Management/Distribution of Funds
 - 1) Upon completion of campaign, donor pledge information is recorded into UWABC's database for City of Asheville
 - 2) Reports are shared with participating federations no later than March 1 to include donor name, contact information, gift amount and method of giving
 - 3) Cash payouts of donor directed gifts will occur by April 1
 - 4) Remaining balance of payroll deductions will be paid out quarterly beginning in July.

Standards of Excellence for United Way Community Partners



United Way of Asheville
and Buncombe County

The letter in parenthesis next to each item corresponds to an item on "A Description of Supporting Documentation" that follows. Public institutions that receive funding must meet all applicable standards.

Governance:

1. The organization is incorporated. (A)
2. The organization is exempt from taxation under Section 501(c) (3) of the Internal Revenue Service or is otherwise exempt from taxation and files annually with the North Carolina Department of Human Resources for charitable solicitations licensure. (B, C, & D)
3. The organization volunteer board is governed by bylaws that are reviewed annually and ratified or revised as needed. (E & F)
4. The board meets regularly (at least four times per year), operates with a quorum, and records minutes of all meetings. (G)
5. The organization (if it receives \$25,000 or more in United Way funds or has annual revenues at or above \$350,000) has an independent audit conducted by a Certified Public Accountant or an accountant who is qualified by the NC Board of Accountancy. For organizations not meeting this threshold, the organization is to complete an annual financial review. (H)
6. The board controls the fiscal affairs of the organization, including the development and adoption of an annual budget and written financial policies and procedures. The board also monitors income and expenditures, fully discloses all assets and liabilities, and insures that the use of funds is in accordance with the mission and solicitation materials. (I, J, & K)

Use of Funds:

7. The organization has outlined its goals in a strategic plan. (L)
8. Each program has an annual operating plan with quantifiable outputs and outcomes objectives that specify the results to be achieved during the defined time period. (M)
9. A system is in place to measure progress in achieving results (i.e., meeting output and outcome objectives) and to report progress to the board. (N)
10. The organization has secured certification or accreditation through a local, state, or national affiliate when necessary. (O)

Administration:

11. The organization has insurance coverage commensurate with the risks associated with its programs (e.g., property, general liability, professional liability, fidelity bond, directors' and officers' liability, vehicle, etc.). (P)
12. The organization has a non-discrimination policy for its staff, governing body, committees, and services delivered that reflect the organization's service area. (Q)
13. The staff is sufficiently qualified by training and experience, and job descriptions exist for all staff members that indicate the person to whom the staff member is accountable. (R)

14. The organization has written personnel policies that are board-approved and available to the entire staff. (S)
15. Staff members, including the executive director, are evaluated periodically--at least on an annual basis. (T)
16. To the Board's knowledge, the facilities required for United Way funded programs meet all applicable federal, state, and local requirements, including access, health, fire, and safety codes. (U)

ADOPTED: 11/11/09

A Description of Supporting Documentation for the Standards of Excellence for United Way Community Partners

The following is a list of the supporting documents required. Questions about items required by United Way should be directed to Community Fund staff.

Governance:

- (A) *Articles of Incorporation.* * This is the original, founding document for the organization.
- (B) *IRS Tax Exemption Determination Letter.* * The U.S. Internal Revenue Service provides all 501(c)(3) non-profits with a letter verifying their tax-exempt status.
- (C) *NC Dept. of Revenue Tax Exemption Determination Letter.* * The NC Department of Revenue provides all federally recognized 501(c)(3) non-profits with a letter verifying their tax-exempt status.
- (D) *NC Solicitations License.* * State law requires all organizations that raise at least \$25,000 from public solicitations within North Carolina to hold this license. United Way funds, although not raised by the organization directly, count toward the \$25,000 threshold. This license must be renewed annually by the NC Department of Human Resources.
- (E) *Board of Directors membership list.* This list is to include all current members of the organization's governing body, including names, mailing addresses, phone numbers, official titles, and terms of service. An up-to-date copy of this list is to be submitted annually to United Way.
- (F) *By-laws or constitution.* * United Way requires the most up-to-date or amended version of these documents to be readily available.
- (G) *Minutes from all board meetings.* * United Way requires complete minutes to be kept on file at the organization for all official business conducted at board meetings, which should be held at least quarterly.
- (H) *Financial audit and correspondence to management.* The organization (if it receives \$25,000 or more in United Way funds or has annual revenues at or above \$350,000) has an independent audit conducted by a Certified Public Accountant or an accountant who is qualified by the NC Board of Accountancy. The audit is to be submitted to United Way no later than 6 months after the end of the organization's fiscal year. For organizations who don't meet this threshold, the organization should complete an annual financial statement or provide a compilation of the quarterly financial statements at the end of their fiscal year along with a certification signed by the board president, confirming the annual financial statement was reviewed by the board.
- (I) *Budget report as submitted to board.* * United Way requires the organization to complete quarterly financial reports throughout the year. Reports should provide a balance sheet, a statement of activities that includes budgeted line items with year-to-date actuals and budget comparisons, an explanation of significant variances, and a list of any funds available in case of emergency. The organization is to provide a certification that this is being done, signed by the treasurer and board president.
- (J) *Financial policies and procedures.* * United Way requires board-approved, written policies and procedures relating to all aspects of organization finances, including staff and volunteer duties as well as board review of budgeting, financial statements, and balance sheets. This information is to be kept on file at the organization.
- (K) *IRS Form 990.* * The organization should maintain a copy of the latest Form 990 "Return of Organization Exempt from Income Tax".

Use of Funds:

- (L) *Long-range plan and solicitation materials.** United Way requires the organization to outline its financial and service goals in a long-range (or strategic) plan. Solicitation materials should explain the use of funds, which should be in accordance with the organization's mission. This information is to be kept on file at the organization.
- (M) *Program Outcomes Information.* This information is required for each funded program as part of the program review process.
- (N) *Report of progress on outcomes as submitted to board.** United Way requires the organization's board be aware a system is in place to measure progress in achieving outcomes objectives.
- (O) *Certification of accreditation from national organization.** If the organization's national organization conducts an accreditation of its chapters or affiliates, the organization is to keep the results of the most recent accreditation process on file.

Administration:

- (P) *Summary of all insurance policies.** United Way requires the organization to have insurance coverage commensurate with the risks associated with its programs (e.g., property, general liability, professional liability, fidelity bond, directors and officers liability, vehicle, etc.). A summary of that coverage is to be on file at the organization.
- (Q) *Non-discrimination policy.** United Way requires all organizations to develop an appropriate policy concerning non-discrimination. Organizations should review federal and state laws when developing this document and seek legal assistance, if required, to abide by affirmative action requirements.
- (R) *Job descriptions.** United Way requires that job descriptions, including minimum qualifications, be on file at the organization and available for staff review.
- (S) *Personnel policies.** Written personnel policies must be kept on file at the organization.
- (T) *Sample Performance appraisal form.** United Way requires that all staff members, including the organization executive, undergo a performance evaluation at least once each year. A blank, sample of that form should be on file at the organization.
- (U) *Policies relating to facilities as required by federal, state, and local laws.** United Way requires that facilities required for United Way funded programs meet all applicable local, state, and federal laws including access, health, fire, and safety codes. Such laws might require third-party inspection of compliance with the Americans with Disabilities Act (ADA), policies relating to security, Hazcom, emergencies, infection control, etc. Copies of policies and inspections are to be on file at the organization.

* NOTE: These items may be requested for review by United Way of Asheville and Buncombe County at any time. Organizations are encouraged to keep all standards documentation in a file or notebook that is readily available for this purpose.

Updated: 11/7/11

Attachment A: EarthShare NC Organizations that Meet the Proposed Eligibility Criteria

Agencies that have an office in North Carolina and who have programs and activities provided for the residents of Asheville and Buncombe County or that impact specific community needs and quality of life issues in Asheville/Buncombe County.

American Rivers * Carolina Raptor Center * Clean Air Carolina * Clean Water Fund * The Conservation Fund * Conservation Trust for North Carolina * Environmental Defense Fund * North Carolina Conservation Network * North Carolina League of Conservation Voters Foundation * North Carolina Rail-Trails * Toxic Free North Carolina * Trust For Public Land, Carolinas

Agencies that have an office, staff or volunteer in Asheville/ Buncombe County.

*Audubon North Carolina * Blue Ridge Parkway Foundation * Carolina Mountain Land Conservancy * Friends of the Mountains-to-Sea Trail North * Carolina Big Sweep * North Carolina Sustainable Energy Association * North Carolina Wildlife Federation * The Sierra Club Foundation * Southern Alliance for Clean Energy * Southern Environmental Law Center * The Nature Conservancy * Trout Unlimited, NC *Western North Carolina Alliance

EarthShare North Carolina – Annual Application Requirements

Annual ESNC Campaign Requirements –

- A copy of the annual N.C. Solicitation License, VALID ON OR AFTER FEB. 15, 2012 of the campaign year, or provide a current letter of exemption from the Office of Solicitation Licensing.
- Annual audit, including the auditor's report that includes the signature of the auditor or auditing firm, abiding to the following:
 - a. Compiled audits are not accepted,
 - b. The audit must cover the fiscal period ending not more than 18 months prior to January of the campaign year, (6/2010).
 - c. The audit and IRS 990 cover the same fiscal year,
 - d. The audit must use the accrual basis of accounting,
 - e. The audit must be performed in accordance with generally accepted auditing standards (GAAS),
 - f. The organization must use generally accepted accounting principles (GAAP).

Only Exception: Organizations with annual revenue less than \$100,000 may submit an audited financial statement or review prepared by a CPA. The CPA opinion rendered on the financial statement must be unqualified.

- IRS 990 Form, including schedules and attachments, abiding to the following:
 - a. If administrative and fundraising expenses exceed 25% of total revenue, also include an explanation and a plan for reducing to 25% or less,
 - b. Must use the accrual basis of accounting,
 - c. The IRS 990EZ and similar forms are not accepted. If the IRS does not require you to file an IRS Form 990, you must submit a pro forma IRS 990.
 - d. Board members and key staff must be listed in Part VII of the IRS Form 990 and their compensation, even if they are not compensated, must be disclosed.
- Annual Report that includes a full description of the organization's activities, identifies the directors and chief personnel, and includes the annual financial report.
- List of current members of the board, including their addresses and end date for each board member's term.
- Detailed description of the programs, services, and benefits provided by the organization in calendar year 2011 and how the programs, services, and benefits affect the health and/or welfare of the population served.

The most recent version of the following documents must be on file at ESNC.

- Federal and N.C. tax exempt letters
- Board approved policy of non-discrimination on the basis of race, color, religion, sex, age, national origin or physical or mental disability for employment, board membership and client services.
- Mission Statement - if you do not have a board authorized mission statement, submit a statement of purpose
- Description of the origin, purpose and structure of the organization (Articles of Incorporation and bylaws)