



**United Way**  
Northumberland

# Policies & Procedures Manual

2022



# Northumberland United Way Policies & Procedures Manual

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# Northumberland United Way Policies & Procedures Manual

## INTRODUCTION TO POLICIES

Board policies of Northumberland United Way are based on the Corporation's mission, vision, values, and strategic direction. Board policies are designed to result in the highest level of ethical behaviour of Board members, staff, and community partners, while representing the communities they serve.

Board policies provide direction and expected behaviour and outcome in all aspects of Northumberland United Way.

Board policy categories include:

- Governance: Policies that govern the Board and staff
- Recruitment: Policies that establish guidelines for recruitment and nomination of Board members
- Finance: Policies that establish the financial responsibilities
- Resource Development: Policies for major gifts, planned giving and Endowment Funds

In the absence of a specific interval for updates, each policy will be reviewed by the originating committee every three years. If the originating committee no longer exists, this responsibility will be carried out by the Governance Committee.

# **Northumberland United Way Policies & Procedures Manual**

## MISSION STATEMENT

NUW's mission is to bring people and resources together to build a strong, healthy, safe community for all.

## OBJECTIVES OF THE ORGANIZATION

- To solicit funds from the community, maintain these funds, and to apply them and the income therefrom for charitable purposes to organizations within Northumberland County;
- To increase the efficiency and effectiveness of charitable organizations by providing advice and support in the areas of volunteerism, internal operations, management, information technology and similar resources;
- To foster cooperation among local, provincial and federal social service agencies operating in Northumberland County;
- To encourage community support and commitment for the aims of the United Way by means of a public awareness program;
- To promote and strengthen volunteer participation for charitable purposes in the community;
- To ensure that donor dollars are spent with maximum efficiency and long-term impact in response to current and changing human care needs in the community;
- To promote and facilitate the development of needed community services, recognizing the appropriate roles of the voluntary, government and private sectors;
- To manage its operations efficiently and effectively, being sensitive and responsive to the needs of United Way's various constituencies.

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## DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes that they are asked to support, we declare that all donors have these rights:

1. To be informed of Northumberland United Way's (NUW) mission, of the way NUW intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on NUW's governing Board, and to expect the Board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to NUW's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists.
10. To ask questions when making a donation and to receive prompt, truthful and forthright answers.

All questions concerning procedure or practice can be directed to the Director of Finance.

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CATEGORY: GOVERNANCE

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## ADMINISTRATION OF THE ORGANIZATION

The affairs of Northumberland United Way (NUW) are managed by members of a Board of Directors who are elected for a two (2) year term at the Annual Meeting of the membership.

The Board of Directors is responsible for the leadership and direction of NUW, for authorizing the budget, approving the allocation of funds to community partners, and engaging a C.E.O./Executive Director as per the Constitution and By-laws. The Board delegates to the C.E.O./Executive Director responsibility for managing ongoing, day-to-day affairs of the organization and/or employing authorized staff.

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## BOARD ROLES & RESPONSIBILITIES

### Purpose

The Board has adopted the Roles and Responsibilities of the Board to ensure that Board members have a shared understanding of the Board's role and responsibility.

### Responsibility of the Board

The Board is responsible for the overall governance of the affairs of Northumberland United Way (NUW). The Board delegates to the CEO/Executive Director responsibility for managing the ongoing day-to-day affairs of NUW, including employing staff. Such delegation is subject to the terms of NUW's current Board-approved Strategic Plan and all applicable Board-approved policies.

Each Director is responsible to act honestly, in good faith, and in the best interest of NUW and in so doing, to support NUW in fulfilling its mission and discharging its accountabilities.

### Strategic Planning, Mission, and Objectives

1. The Board collaborates with management in the formulation of NUW's mission and objectives, approves them, and oversees their adoption by NUW.
2. The Board ensures that NUW develops and adopts a Strategic Plan that is consistent with NUW's mission, objectives, and the current Agreement with United Way Canada. The Board participates in the development of and ultimately approves the Strategic Plan.
3. The Board ensures that NUW operations are consistent with the Strategic Plan, receiving regular briefings and progress reports on implementation of strategic directions and initiatives.
4. The Board ensures that its decisions are consistent with the Strategic Plan and NUW's mission, objectives, and the current Agreement with United Way Canada.
5. The Board conducts a review of the Strategic Plan and its implementation as part of the regular annual planning cycle.



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## BOARD ROLES & RESPONSIBILITIES

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### Performance Measurement and Monitoring

1. The Board collaborates with management in the identification and selection of key performance indicators and provides oversight of NUW's performance against these indicators.
2. The Board ensures that management has plans in place to address variances from key performance targets, and the Board oversees implementation of remediation plans.

### Operations Oversight

1. The Board approves an Annual Fundraising Plan and goal, and monitors and assesses NUW's performance against this plan and goal.
2. The Board is responsible for establishing procedures for assessing and evaluating all funding requests, approving funding requests, and monitoring the impact of funding allocations.
3. The Board ensures that NUW policies respect, promote, and protect employee health and safety in the workplace.
4. The Board ensures that NUW's operations are conducted in a manner that is calculated to earn the trust and support of the community.

### Financial Oversight

1. The Board approves policies for financial planning and approves the annual operating and capital budget.
2. The Board monitors financial performance against budget and ensures management has established appropriate plans for responding to variances.
3. The Board approves investment policies and monitors compliance.
4. The Board ensures the accuracy of financial information and the integrity of internal controls through oversight of management, engagement of external auditors, approval of the annual audit plan, and approval of annual audited financial statements.

### Risk Identification and Oversight

1. The Board is responsible to be knowledgeable about enterprise risks, including unique risks inherent in operations, and to ensure that appropriate risk analysis is performed as part of Board decision-making.
2. The Board ensures that management has a structured process for identifying, monitoring, and managing NUW's risks and provides regular briefings and updates to the Board.

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## Oversight of Management

1. The Board recruits and supervises the CEO/Executive Director by:
  - a) Developing and approving the CEO/Executive Director job description;
  - b) Undertaking a CEO/Executive Director recruitment process and selecting the CEO/Executive Director;
  - c) Reviewing and approving the CEO/Executive Director's annual performance goals;
  - d) Reviewing CEO/Executive Director performance and determining CEO/Executive Director compensation.
2. The Board ensures succession planning is in place for the CEO/Executive Director and staff. The Board approves management's succession plan annually.
3. The Board oversees the CEO/Executive Director's supervision of staff.

## Stakeholder Communication and Accountability

1. The Board identifies NUW stakeholders and understands stakeholder accountability.
2. The Board considers NUW's accountability to stakeholders in its decision-making.
3. The Board ensures NUW communicates appropriately with stakeholders in a manner consistent with its accountability to them.
4. The Board performs advocacy on behalf of NUW with stakeholders where required in support of NUW's strategic directions and its mission and objectives.

## Governance

1. The Board is responsible for the quality of its own governance.
2. The Board establishes governance structures that facilitate the performance of the Board's role and enhance individual director performance.
3. The Board ensures its recruitment plans support the development of a skilled, experienced, and diversified Board.
4. The Board develops and periodically updates its own succession plan, including ensuring Board members receive the mentoring and progressive development opportunities that will prepare them for committee and Board leadership.
5. The Board ensures ongoing Board and individual Board member training and education that is responsive to the particular Strategic Plans, risks, and challenges that may be faced by NUW from time to time.

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6. The Board assesses and reviews its governance by periodically evaluating Board structures, including Board recruitment processes and Board composition and size, number of committees, and their Terms of Reference, processes for appointment of committee chairs, processes for appointment of Board officers and other governance processes and structures.
7. The Board establishes a process for the periodic review of individual Board member performance and the provision of feedback accordingly.

### Legal Compliance

The Board ensures that appropriate processes are in place to ensure compliance with legal requirements.

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## CONFLICT OF INTEREST

### Purpose

All Directors have a duty to ensure that the integrity of the decision-making processes of the Board are maintained by ensuring that they and other members of the Board are free from conflict or potential conflict in their decision-making. It is inherent in a Director's fiduciary duty that conflicts of interest be avoided. It is important that all Directors and officers understand their obligations when a conflict of interest or potential conflict of interest arises.

### Application

Applies to all Directors and Officers including ex officio Directors, and all non-Board members of committees. "Officers" means officers appointed by the Board including the President, Vice-President, Secretary, Treasurer, C.E.O./Executive Director, and others who perform functions for NUW similar to those normally performed by such officers.

### Policy

Directors, officers, and non-Board committee members shall avoid situations in which they may be in a position of conflict of interest or perceived conflict of interest.

### Description

A conflict of interest arises in any situation where a Director's duty to act solely in the best interests of the corporation and to adhere to his/her fiduciary duties is compromised or impeded by any other interest, relationship, or duty of the Director. A conflict of interest also includes circumstances where the Director's duties to Northumberland United Way (NUW) are in conflict with other duties owed by the Director, such that the Director is not able to fully discharge the fiduciary duties owed to NUW.

The situations in which potential conflict of interest may arise cannot be exhaustively set out.

Conflicts generally arise in the following situations:

#### **1. Transacting with NUW (Other than donations)**

- When a Director transacts with NUW directly or indirectly.
- When a Director has a material direct or indirect interest in a transaction or contract with NUW.

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## CONFLICT OF INTEREST

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### **2. Interest of a Relative**

When NUW conducts business with suppliers of goods or services or any other party of which a relative or member of the household of a Director is a principal, officer, or representative.

### **3. Gifts**

When a Director or member of the Director's household or any other person or entity designated by the Director, accepts gifts, payments, services, or anything else of more than a token or nominal value from a party with whom NUW may transact business (including a supplier of goods or services) for the purposes of (or that may be perceived to be for the purposes of) influencing an act or decision of the Board.

### **4. Acting for an Improper Purpose**

When Directors exercise their powers motivated by self-interest or other improper purposes. Directors must act solely in the best interest of NUW. Directors who are nominees of a particular group must act in the best interest of NUW even if this conflicts with the interests of the nominating party.

### **5. Appropriation of Corporate Opportunity**

When a Director diverts to his/her own use, an opportunity or advantage that belongs to NUW.

### **6. Duty to Disclose Information of Value to NUW**

When Directors fail to disclose information that is relevant to a vital aspect of NUW's affairs.

### **7. Serving on Other Corporations**

A Director may be in a position where there is a conflict of "duty and duty." This may arise where the Director serves as a Director of two corporations that are competing or transacting with one another. It may also arise where a Director has an association or relationship with another entity. For example, if two corporations are both seeking to take advantage of the same opportunity, a Director may be in possession of confidential information received in one boardroom or related to the matter that is of importance to a decision being made in the other boardroom. The Director cannot discharge the duty to maintain such information in confidence while at the same time discharging the duty to make disclosure. The Director cannot act to advance any interests other than those of NUW.

## Disclosure and Abstention

- **Disclosure of Conflicts**

A Director, officer, or committee member who is in a position of conflict or potential conflict shall immediately disclose such conflict to the Board by notification to the President or any Vice-President of the Board. Where the President has a conflict, notice shall be given to the Vice-President.

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## CONFLICT OF INTEREST

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The disclosure shall be sufficient to disclose the nature and extent of the interest. Disclosure shall be made at the earliest possible time and, where possible, prior to any discussion and vote on the matter.

Where:

- i) a Director is not present at a meeting where a matter in which the Director has a conflict is first discussed and/or voted upon, or
  - ii) a conflict arises for a Director after a matter has been discussed but not yet voted upon the Board, or
  - iii) a Director becomes conflicted after a matter has been approved, the Director shall make the declaration of the conflict to the President or Vice-President as soon as possible, and at the next meeting of the Board. If an officer becomes interested in a contract or transaction after it is made or entered into, the disclosure shall be made as soon as possible after the officer becomes so interested. A Director or officer may make a general declaration of the Director's relationships and interests in entities or persons that give rise to conflicts.
- Abstain from Discussions  
The Director or officer who has declared a conflict shall not be present during the discussion or vote in respect of the matter in which he/she has a conflict and shall not attempt in any way to influence the voting.

### Process for Resolution of Conflicts and Addressing Breaches of Duty

A Director may be referred to the process outlined below in any of the following circumstances:

#### 1. Circumstances for Referral

Where any Director believes that he/she or another Director:

- a) Has breached his/her duties of NUW;
- b) Is in a position where there is a potential breach of duty to NUW;
- c) Is in a situation of actual or potential conflict of interest; or
- d) Has behaved or is likely to behave in a manner that is not consistent with the highest standards of trust and integrity, and such behaviour may have an adverse impact on NUW.

#### 2. Process for Resolution

The matter shall be referred to the following process:

- a) Refer matter to President or where the issue may involve the President, to any Vice-President with notice to Chief Executive Officer.
- b) President (or Vice-President as the case may be) may either:
  - i) Attempt to resolve the matter informally, or
  - ii) Refer the matter to either the Executive committee or to an ad hoc subcommittee of the Board established by the President (or Vice-President as the case may be), which shall report to the Board.

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- c) If the President or Vice-President elects to attempt to resolve the matter informally and the matter cannot be informally resolved to the satisfaction of the President (or Vice-President as the case may be), the Director referring the matter and the Director involved, then the President or Vice-President shall refer the matter to the process in b) ii) above.
- d) A decision of the Board by majority resolution shall be determinative of the matter. It is recognized that if a conflict, or other matter referred cannot be resolved to the satisfaction of the Board (by simple majority resolution) or if a breach of duty has occurred, a Director may be asked to resign or may be subject to removal pursuant to the by-laws and Corporations Act.

#### Perceived Conflicts

There may be cases where the perception of a conflict of interest or breach of duty (even where no conflict exists or breach has occurred) may be harmful to NUW. In such circumstances, the process set out in the policy for addressing conflicts and breaches of duty shall be followed.

It is recognized that the perception of conflict or breach of duty may be harmful to NUW even where no conflict exists or breach has occurred, and it may be in the best interests of NUW that the Director be asked to resign.

#### Conflict of Interest Disclosure Statement

Upon joining the Board of Directors, members will sign a Conflict of Interest Disclosure Statement. The Statement will be reviewed and signed on a bi-annual basis thereafter.

#### Amendment

This policy may be amended by the Board.

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## CONFIDENTIALITY

The objective of this policy is to address matters of confidentiality in a manner that permits Northumberland United Way (NUW) to maintain the highest business and ethical standards, to protect the integrity of NUW, to achieve appropriate levels of transparency and accountability in matters before the Board, staff, and committees, and to support the maintenance of effective relationships.

### Duty of Each Director, Volunteer, Staff, and Committee Member

- a) Each Director, volunteer, staff, and committee member owes to NUW a duty not to disclose or discuss with another person or entity, or to use for his or her own purposes, confidential information concerning the business, activities and affairs of NUW received in his or her capacity as a Director, staff, and/or committee member unless otherwise authorized by the Board.
- b) Each Director, volunteer, staff, and committee member shall ensure that only statements authorized by the Board are made to stakeholder groups, the media or public. Normally, as required and appropriate, the Board Chair (or designate) serves as spokesperson for the NUW Board.

### Confidential Matters

- a) Normally, Chairs of committees will report activities of their committee during a regular meeting of the Board during an open or closed session as appropriate.
- b) All matters that are the subject of any closed portion of any meeting are confidential until disclosed in an open meeting of the Board.
- c) All matters that are before a committee are confidential unless they have been determined not to be confidential by the Chair of the relevant committee following consultation with the Board Chair. All matters that are presented to the Board in confidence remain confidential unless they have been determined not to be by the Board. The overall purpose and objectives of this policy will serve as points of reference in making such judgements. In all cases, NUW's obligations under access and protection of personal privacy legislation will be satisfied.



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- d) No audio or visual record or transmittal by any person of a closed portion of any meeting is permitted without prior approval by the Chair of the relevant meeting.

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## CODE OF CONDUCT

Each Director of Northumberland United Way (NUW) is responsible to act honestly, in good faith, and in the best interests of NUW, exercising the level of skill and judgment reasonably expected of a person with their knowledge and experience.

1. Each Director shall strive to create a relationship of trust and mutual respect with other Directors, NUW volunteers, staff, donors, funded community partners, and the general community.
2. A Director prepares for and attends, where possible, all scheduled meetings of the Board and applicable committees. Directors who fail to meet the attendance requirements set forth in the bylaws without reasonable explanation will be asked to resign from the Board.
3. Directors are encouraged to participate at Board and committee meetings, and shall be given the opportunity to speak at Board and committee meetings after they have been recognized by the Chair.
4. Each Director shall respect the Chair's decision on points of order that apply to conduct, in accordance with NUW bylaws, policies, and rules of order.
5. A Director shall not interrupt another speaker during their recognized period.
6. A Director shall support and comply with Board policies and decisions. A Director is expected to share his/her perspectives with the Board during its deliberations, particularly when the Director has a differing view on a particular matter. Once a decision is made by the Board, the Director is deemed to have supported the decisions and policies of the Board, whether they are present or absent, and whether they voted for or against, or abstained.
7. A Director shall not discuss confidential information presented "in camera," including Board committees, with persons other than Directors or committee members, until such time as this information has been presented in an open session of the Board or by designated Board or NUW management spokespersons.
8. A Director shall fulfill individual responsibilities for confidentiality and declarations of conflict of interest as defined in NUW's bylaws and policies.

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9. Each Director has an important role as an ambassador of NUW. However, a Director shall respect the role of the Board Chair and C.E.O./Executive Director as spokespersons to represent NUW at public meetings and/or the media.
10. A Director will be a NUW donor and will participate in a reasonable number of NUW fundraising events.

Annual Commitment:

Within 90 days of each Annual General Meeting of the Corporation, the Director shall sign a commitment to adhere to this Code of Conduct.

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## PRIVACY POLICY

Northumberland United Way (NUW) is committed to protecting the privacy of the personal information of its donors, members, employees, and other stakeholders. We value the trust of those with whom we deal with, and of the public, and recognize that maintaining this trust requires that we be transparent and accountable in how we treat the information that you share with us.

During the course of our various projects and activities, we frequently gather and use personal information. People from whom we collect such information expect that it will be carefully protected and that any use of this information is subject to consent. Our privacy practices are designed to achieve this.

Personal information is any information that can be used to distinguish, identify or contact a specific individual, except business information and publicly available information. We maintain appropriate procedures to ensure that personal information in our possession is accurate and up to date.

You are entitled to seek a correction of your personal information. If you believe any of the information we have collected about you is incorrect or incomplete, you have the right to ask us to change it or delete it.

From time to time, NUW may share experiences of individuals who have been helped by NUW funded partners. The information in these experiences is used only with the express permission of the individual.

NUW is committed to protecting your privacy. We take every step to ensure the confidentiality of your information is maintained. The information you or your employer provides to us is used to help us in our campaign, process and receipt your donation and respond to any of your information requests.

Whether you are a donor to our workplace campaign or donate directly as an individual or business, your information is not shared with other organizations.

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Additionally, in the following areas, we do not share any personal information:

- **Designation** – Where a portion of your gift is directed to another United Way or another charity, we may provide the amount of your donation. We do not provide your name or personal information to another organization, unless you request that we do so.
- **Leading the Way Donor** – United Way may publicly recognize Leading the Way donor names. If you prefer to remain anonymous, please indicate this in the box provided on the pledge form.

We adhere to the principles that follow.

## Principles

1. **Accountability:** NUW is responsible for the personal information under its control. It must appoint someone to be accountable for its compliance with these fair information principles. **NUW's Privacy Officer is the Director of Finance.**
2. **Identifying Purposes:** The purposes for which the personal information is collected must be identified by the organization before or at the time of collection.
3. **Consent:** The knowledge and consent of the individual are required for the collection, use, or disclosure of personal information, except where inappropriate.
4. **Limiting Collection:** The collection of personal information must be limited to that which is needed for the purposes identified by the organization. Information must be collected by fair and lawful means.
5. **Limiting Use, Disclosure, and Retention:** Unless the individual consents otherwise or it is required by law, personal information can only be used or disclosed for the purposes for which it was collected. Personal information must only be kept as long as required to serve those purposes.
6. **Accuracy:** Personal information must be as accurate, complete and up-to-date as possible in order to properly satisfy the purposes for which it is to be used.
7. **Safeguards:** Personal information must be protected by appropriate security relative to the sensitivity of the information.

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## PRIVACY POLICY

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8. **Openness:** NUW must make detailed information about its policies and practices relating to the management of personal information publicly and readily available.
9. **Individual Access:** Upon request, an individual must be informed of the existence, use and disclosure of their personal information and be given access to that information. An individual shall be able to challenge the accuracy and completeness of the information and have it amended as appropriate.
10. **Challenging Compliance:** An individual shall be able to challenge NUW's compliance with the above principles. Their challenge should be addressed to the person accountable for the organization's compliance with PIPEDA.

### Notification

All pledge/donation forms shall include a reference to the policy:

"Northumberland United Way is committed to protecting the privacy and confidentiality of personal information. The information provided may be used to assist in the proper administration and acknowledgement of gifts, to issue tax receipts and to fulfill information requests. For complete details of the privacy policy, please go to the NUW web site, [www.mynuw.org](http://www.mynuw.org)."

### Contact Information

If you have any questions about protecting your personal privacy or our privacy policy, please feel free to contact:

Cathy Cavanagh  
Director of Finance  
Northumberland United Way  
62 Swayne Street  
Cobourg, ON K9A 1K5  
Tel (905) 372-6955 ext 103

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## POLICE CHECK/OFFENCE DECLARATION

There are three types of police records checks. The one required by NUW is a “Police Criminal Records Check” and is intended for applicants who are applying as volunteers; not for people who are seeking volunteer/employment with vulnerable persons. This check will include criminal convictions from the Canadian Police Information Centre and/or local databases. All volunteers, including Board members, and staff shall obtain a clear Police Criminal Records Check and present that certificate to the Privacy Officer of NUW upon, or before, becoming a volunteer, Board member, or staff of NUW.

On an annual basis thereafter, Board members and volunteers are required to complete an Offence Declaration Form to confirm there have been no charges since the police check or last Offence Declaration Form (Appendix A) was completed.

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## STATEMENT ON DIVERSITY

United Way Northumberland celebrates and respects diversity. Diversity refers to human characteristics that distinguish one person from another. It includes ethnicity, race, culture, age, gender, sexual orientation, differing abilities, social perspectives, values and beliefs.

United Way Northumberland recognizes that the diversity among residents of Northumberland County adds richness and benefits that strengthen our community. It is also sensitive to the fact that some groups encounter barriers to equitable access and participation in the community. These barriers diminish our capacity as a vibrant, caring and contributing community.

United Way Northumberland promotes respect, equity, access and participation of all individuals who interact with the organization. It prohibits discrimination in accordance with federal and provincial legislation and codes (1. The Universal Declaration of Human Rights; 2. The Canadian Charter of Rights and Freedoms; 3. The Ontario Human Rights Code [1990]) and principles of social justice.

United Way Northumberland affirms the rights of everyone to live, participate, and work in an environment that is free from discrimination and harassment.

The Board of Directors of United Way Northumberland recognizes that building equity and access requires a commitment in both its internal operations and its external relationships.

The Board of Directors will:

- Ensure that members of the Board and its subcommittees and staff are reflective of the broad diversity of the community.
- Ensure that the organization's Nondiscrimination & Harassment Policy is implemented and monitored.
- Ensure that all its information materials reflect diversity and inclusivity, and present positive images.
- Undertake ongoing research and training to enhance diversity knowledge and skills.
- When consulting publicly about the organization's priorities and strategies, ensure that groups and organizations reflecting the broad diversity of the community are encouraged to participate.
- Promote equity, access, and participation for diverse groups within stakeholder relationships.
- Evaluate its own performance against these goals.



**Northumberland United Way  
Policies & Procedures Manual**

STATEMENT ON DIVERSITY

Page 2 of 2

The Board of Directors of United Way Northumberland is committed to governing an organization that promotes respect, equity, access and participation in all internal and external relations.

# Northumberland United Way Policies & Procedures Manual

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**CATEGORY:** GOVERNANCE  
**ISSUED BY:** GOVERNANCE COMMITTEE  
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## DIVERSITY, EQUITY, ANTI-OPPRESSION AND ANTI-DISCRIMINATION

United Way Northumberland (NUW) celebrates and respects diversity. Diversity refers to human characteristics that distinguish one person from another. It includes ethnicity, race, culture, age, gender, sexual orientation, differing abilities, social perspectives, values, and beliefs.

NUW recognizes that the diversity among the residents of Northumberland County has added cultural, social, and economic benefits that strengthen our community. The organization is also sensitive to the fact that some groups encounter barriers to equitable access and participation in the community. These barriers diminish our capacity as a vibrant, caring, and contributing community.

Discrimination based on difference is not tolerated.

NUW affirms the rights of everyone to live, participate, and work in an environment that is free from discrimination and harassment.

The Board of Directors of United Way Northumberland will:

- Ensure that members of the Board and its subcommittees and staff are reflective of the broad diversity of the community.
- Ensure that the organization's Nondiscrimination & Harassment Policy is implemented and monitored.
- Ensure that all its information materials reflect diversity and inclusivity, and present positive images.
- Undertake ongoing research and training to enhance diversity knowledge and skills.
- When consulting publicly about the organization's priorities and strategies, ensure that groups and organizations reflecting the broad diversity of the community are encouraged to participate.
- Promote equity, access, and participation for diverse groups within stakeholder relationships.
- Evaluate its own performance against these goals.

## **Northumberland United Way Policies & Procedures Manual**

### DIVERSITY, EQUITY, ANTI-OPPRESSION AND ANTI-DISCRIMINATION

Page 2 of 2

As an employer and service provider, NUW will not tolerate and will address any intentional or unintentional acts of oppression towards an individual or a group of people that creates barriers to access or inclusion on the basis of race/colour, ethnicity, ancestry, religion/creed, socio-economic class, gender, sexual orientation, gender orientation, receipt of public assistance, political affiliation, record of offences, level of literacy, citizenship/immigration status, country of origin, religion, mental health status, age, type of housing, neighbourhood of residence, language, family status, health status (including HIV), ability, or any other personal characteristics in all aspects of its operation and at all levels of the organization.

Communication within the organization and the messages NUW takes into the community will embrace diversity and espouse equity within appropriate contexts.

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: GOVERNANCE  
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## OPEN BOARD MEETINGS

### Purpose

Northumberland United Way is committed to conducting business in an open and transparent manner by having open Board meetings with the exception of in camera sessions as described in “In Camera Sessions of the Board.” Open Board meetings foster:

- a close relationship with the community, the media, and stakeholders; and
- generate trust and accountability.

### Notice of Meetings

A schedule of the dates, locations, and times of the Board’s regular meetings is established annually and is available on the NUW web site and at the office. The Board may be required to limit the number of attendees at meetings on a first-come, first-served basis, if the space is insufficient.

### Agendas and Board Materials

Board meeting agendas and information will be available to members of the public on request and may be obtained from the NUW office two working days prior to, or at, the Board meeting.

### Conduct During the Meeting

Members of the public may not address the Board or ask questions without the permission of the Chair. Individuals who wish to raise issues through presentations to the Board must contact the CEO/Executive Director in advance in accordance with the Guidelines for Presentations to the Board. Proper and respectful meeting decorum is expected of all attendees. The Chair may require anyone who is disruptive and interferes with proper conduct of the meeting to leave. With the exception of any recording done by the Secretary, or otherwise approved by the Chair, no one shall take or transmit any photograph, video or audio recording of any portion of the Board meeting.

### Guidelines for Presentations to the Board

The Board may permit members of the public to make a presentation to the Board concerning matters relevant to NUW. Persons wishing to address the Board will follow the guidelines listed below:

# Northumberland United Way Policies & Procedures Manual

## OPEN BOARD MEETINGS

Page 2 of 2

1. Written notice of the request to address the Board meeting shall be provided to the CEO/Executive Director at least eight days prior to the meeting date for an item not related to the monthly Board agenda, and at least 48 hours notice is required for items specific to the agenda for that meeting. The CEO/Executive Director will direct these requests to the Chair, who will determine whether to include the presentation on the agenda. The request shall include the identify of the person(s) proposing to address the Board (including mailing address, email address, and telephone number) and a description of the specific nature of the matter proposed to be addressed.
2. Persons not permitted to address the Board will be notified. The Board may limit the number of presentations at any one meeting.
3. Persons addressing the Board will:
  - Be notified and receive the guidelines for presentations to the Board;
  - Be required to limit their remarks to the time allocated by the Chair;
  - Be required to speak only on the subject for which they have received approval to address the Board, unless otherwise requested by the Chair during the meeting; and
  - Maintain proper and respectful meeting decorum when addressing the Board.
4. Following the meeting, the Chair will communicate in writing to the presenter or spokesperson for the delegation acknowledging the presentation and outlining any actions to be taken by NUW in response.
5. The Chair is not obliged to grant a request to address the Board and the Board is not obliged to take any action on any presentation it receives.

# Northumberland United Way Policies & Procedures Manual

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## IN-CAMERA SESSIONS OF THE BOARD

### Policy

The Board may move in-camera or hold special meetings that are not open where it determines it is in the best interest of NUW to do so. The Chair may order that a meeting move in-camera or any Director may request a matter be dealt with in-camera in which case a vote will be taken, and if a majority of the Board so decides, the matter shall be dealt with in-camera.

Unless the Board determines otherwise, the following matters will be dealt with in-camera:

1. Assessment, rewarding, or disciplining of individuals (staff or Board members).
2. Discussions and dealing with other entities or persons when the information being discussed may compromise the relationship of NUW with them or their relationship with stakeholders.
3. Financial, personnel, contractual and any other matters for which a decision must be made in which premature disclosure would be prejudicial.
4. Matters involving property.
5. Discussions that may prejudice a person or entity involved in a criminal proceeding or a civil suit or proceeding, including matters before administrative tribunals.
6. Instructions given to, or opinion received from, a solicitor(s) or consultant(s).
7. Matters involving litigation.
8. Material contracts.
9. Human resource issues.
10. Public, donor, or other stakeholder issues.
11. Deliberations that may be necessary to decide whether the matter warrants being dealt with in an in-camera session of the Board.
12. Any other matters the Board deems confidential.

# Northumberland United Way Policies & Procedures Manual

## IN CAMERA SESSIONS OF THE BOARD

Page 2 of 2

### Attendees During an In-Camera Session

During an in-camera session of the Board, all persons who are not Board members shall be excluded, save and except the C.E.O./Executive Director, unless specifically asked to be absent. Guests or counsel may remain during an in-camera session with the permission of the Chair or the consent of the meeting.

### Procedure

1. A motion is required to move into, and rise from an in-camera session of the Board, and to approve any actions of the Board.
2. Material circulated to Board members for in-camera session items must be clearly identified as CONFIDENTIAL and handled and secured in a manner which respects the nature of the material.
3. Where an in-camera session of the Board is required, a separate agenda, indicating the items to be dealt with during the in-camera session of the Board, will accompany the confidential material and will also be identified as CONFIDENTIAL.
4. The vote on a matter that is under consideration at an in-camera session of a meeting of the Board shall be taken in an in-camera session of the Board.
5. Minutes shall be recorded by the Secretary or their designate. In the absence of the Secretary or their designate, the Chair shall designate a Director to record the minutes. When circulated to the Board, the minutes should be clearly identified as CONFIDENTIAL and handled and secured in a manner which respects the nature of the material. Minutes of an in-camera session of the Board shall be presented for approval at another in-camera session of the Board at a subsequent meeting.
6. Matters before an in-camera session of the Board shall remain confidential until such matters are moved by the Board to the open session of the Board. The Board may move matters which have been dealt with in an in-camera session of the Board in its sole discretion, to the open session of the Board. To that end, the Board shall pass a resolution with respect to those items that are to be moved from an in-camera session of the Board to an open session of the Board.

# Northumberland United Way Policies & Procedures Manual

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## COMPLAINTS POLICY

### Guiding Principles:

- It is in the interest of all parties that complaints are dealt with promptly and resolved as quickly as possible;
- The review of complaints is fair, impartial and respectful to all parties;
- Complainants are provided clear and understandable reasons for decisions relating to complaints;
- Updates are provided to complainants during the review process;
- Complaints are used to assist in improving Northumberland United Way (NUW) programs, services, policies and procedures.

### Definition:

A complaint is an expression of dissatisfaction about the programs, services, policies or procedures of NUW as an organization or, of a staff member or volunteer acting on behalf of NUW.

### Complaint Receipt and Handling:

A complaint may be received verbally (by phone or in person) or in writing (by mail, fax, e-mail or social media). Each complaint will be directed to the C.E.O./Executive Director for handling unless the complainant has requested that it be given to the President of the Board. The C.E.O./Executive Director (or Board President) will acknowledge to the complainant that the complaint has been received and will be acted upon without delay. If a timeframe for action can be determined, that should be included in the acknowledgement.

### Risk Management:

The longer that a complaint goes unsatisfied, the greater is the potential for some risk to the organization. Every effort will be made to resolve complaints in a timely fashion. If the C.E.O./Executive Director cannot resolve the complaint, it will be referred to the President of the Board. If the complaint is about the Board President, it will be handled by the Chair of the Governance Committee. Complainants will be kept informed of the status of their complaint.



## **Northumberland United Way Policies & Procedures Manual**

### COMPLAINTS POLICY

Page 2 of 2

As a matter of good risk management, NUW will keep a log of all complaints. Information to be recorded includes a description of the complaint, who handled it, what was done to resolve the complaint, timeframe and, a description of the resolution. Each new documented complaint will be reviewed with the Executive Committee at the following monthly Executive meeting, or earlier at the discretion of the C.E.O./Executive Director. The entire complaints log will be reviewed with the Board semi-annually.

# Northumberland United Way Policies & Procedures Manual

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## RISK MANAGEMENT

### Purpose

To define Risk and Risk Management and to describe NUW's approach to managing risk.

### Definitions

**Risk** is the chance of an incident happening that will affect the achievement of Northumberland United Way's objectives. Risk is evaluated in terms of the likelihood of occurrence and the potential impact of the incident. Risks can impact the resources required by NUW to achieve its mission, its reputation in the community, or its success in achieving community impact.

**Risk Management** is the structured and disciplined approach to identifying, assessing, and managing risks. The goal of risk management (where risk cannot be avoided) is to reduce and/or mitigate the impact of each identified risk to a level that staff and the Board of Directors deem acceptable.

The principles that define the NUW approach to risk management are:

1. **Risk Management is an integral part of good business management.** Risk assessment is incorporated in annual business plans and all members of staff and Board understand the importance of managing risk strategically and on an ongoing basis.
2. **Tolerance for risk will align with potential impact on our reputation (brand).** NUW has very low risk tolerance for events or actions that affect financial controls or donor trust.

### Responsibilities for Risk Management

**Board:** As in other aspects of governance, the Board is responsible for overseeing the management of risk. Although the Board delegates much of the work involved in managing risk to staff, it cannot delegate its responsibility for oversight.

# Northumberland United Way Policies & Procedures Manual

## RISK MANAGEMENT

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Staff: The C.E.O./Executive Director is accountable to the Board for ensuring that staff understands risk management and that processes, techniques, and tools are in place to minimize and mitigate risks.

### Identification of Risks

In 2010, a subcommittee of the NUW Board of Directors created a Risk Map in order to identify those risks to the organization that were highly likely to occur and that would have a significant impact. The inputs to this process were the issues identified during the 1007 Strategic Planning SWOT (Strengths, Weaknesses, Opportunities, and Threats) exercise.

Since then, it has been the responsibility of the Governance Committee to regularly review the risks documented in the Risk Register for changes in “Likelihood” and “Impact” and to make recommendations to update the controls and/or monitoring process.

New (medium to high impact and medium to high likelihood) risks are added to the Risk Register as a result of actual incidents that have impacted NUW, incidents that have impacted other organizations in the not-for-profit sector, and recommendations of subject matter experts such as Imagine Canada.

### Monitoring Risks

Please see the NUW Risk Register. Some risks have a regular, annual review date. Others are reviewed when an incident occurs. All risks are reviewed by the Executive Committee and the Board according to the date of review in the Risk Register.

### Insurance

NUW’s insurance programs are an integral part of the Risk Management Program. The organization makes use of knowledgeable and experienced professionals when purchasing insurance. The Board reviews the scope of all insurance policies and the adequacy of coverage limits for the organization and for Directors, officers, staff, and volunteers annually.

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: GOVERNANCE

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## INSURANCE COVERAGE

Having insurance is one way to mitigate risk to the organization and its Board members. Northumberland United Way (NUW) has three types of insurance: Commercial General Liability (CGL), Automobile insurance (AUTO), and Directors and Officers Liability (D&O). CGL provides coverage for “negligent” acts. Negligence is doing something that a reasonable person/organization would not do under the circumstances, or failing to do something a reasonable person would do. It also provides coverage for unintentional actions by Board members, volunteers and staff that cause harm or property damage to a third party. Coverage for the contents of NUW office space is included in the CGL policy. NUW carries AUTO insurance on the vehicles which it owns and which are used by the Food 4 All warehouse. D& O provides coverage for actual or alleged “wrongful acts” committed by Board directors within their duties to the organization.

### Policy:

1. Each policy is renewed annually: D& O in January, AUTO in July, and CGL in August. NUW uses a local insurance broker to procure the CGL and AUTO insurance. D&O insurance is arranged by United Way Canada on behalf of local United Ways. Prior to the annual renewal of the D&O policy, an insurance professional will be invited to a Board meeting to explain the coverage provided on this and the other insurance policies covering NUW.
2. A special one-day, one event addendum to the CGL policy is arranged annually by NUW with the local broker to cover the Dragon Boat Race.
3. Responsibilities: The NUW CEO/Executive Director is responsible ensuring that appropriate levels of coverage are in place for each type of insurance above.
4. The Governance Committee is responsible for ensuring that the policies are renewed by the required deadline.
5. The Board of Directors is responsible for approving the insurance policy premiums.
6. Each member of the Board of Directors is responsible for understanding the potential liabilities associated with being a not-for-profit Board member and for understanding the coverage that is provided.

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: GOVERNANCE

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## PUBLIC STATEMENTS & APPEARANCES

The policy regarding staff representing United Way (NUW) is found in the NUW Staff Policy and Procedures Manual, item 1.06, "Public Statements and Public Appearances": *(a) No employee other than the C.E.O./Executive Director shall speak to the media as an official spokesperson for NUW without prior clearance from the C.E.O./Executive Director (b) Any employee asked to represent NUW as a guest speaker, or program participant, shall obtain prior approval of the C.E.O./Executive Director"*

In regards to staff representing NUW in social media, see Personnel Policy 6.02 "Social Media."

### Policy:

1. No Board member other than the President of the Board of Directors shall speak to the media as an official spokesperson for NUW with one exception. (see #2 below)
2. The chair(s) of the Annual United Fundraising Campaign is (are) permitted to represent NUW with the media and in speaking engagements for the purpose of raising funds.
3. Any Director asked to represent NUW as a guest speaker, or program participant, shall obtain prior approval of the President.
4. All of the above apply to social media as well.

See also Confidentiality Policy

# Northumberland United Way Policies & Procedures Manual

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## WHISTLEBLOWER

### Policy

NUW is committed to high standards of ethical, moral and legal conduct. NUW acts in good faith with employees and volunteers who raise concerns regarding any unlawful or improper activities.

This policy aims to provide employees and volunteers with an avenue for raising concerns, and to reassure them that they will be protected from reprisal or victimization as a consequence of reporting the alleged wrongdoing of any employee or volunteer of NUW.

No employee or volunteer who in good faith reports any unlawful or improper activity shall suffer harassment, retaliation or adverse consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. Retaliation by a volunteer will result in immediate removal of that individual from his/her position on the Board or committee(s).

Employees and volunteers reporting a violation or suspected violation should have reasonable grounds for doing so. Allegations that are not substantiated and which prove to be made maliciously or knowingly to be false will be grounds for serious disciplinary action up to and including termination of employment/membership on the Board or other committee(s).

This policy does not cover Workplace Conflicts (please see NUW Personnel Policy 3.13) or Workplace Harassment (please see NUW Personnel Policy 3.02).

### Process

All concerns shall be reported to the C.E.O./Executive Director or the Board President, if the violation involves the C.E.O./Executive Director. If the complaint concerns accounting practices, internal controls or auditing, the Finance and Audit Committee will be advised and participate in the investigation.

## Northumberland United Way Policies & Procedures Manual

### WHISTLEBLOWER

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The identity of the complainant and the nature of the complaint will be kept confidential to the extent possible with the understanding that certain details may need to be shared with others in order to conduct an appropriate investigation and to comply with applicable laws in some cases.

The C.E.O./Executive Director, or Board President, will acknowledge receipt of the reported violation or suspected violation with two business days.

The C.E.O./Executive Director, Board President, and/or the Finance and Audit Committee will secure the appropriate internal or external resources required to properly and promptly investigate each report. Corrective action will be taken if warranted.

# Northumberland United Way Policies & Procedures Manual

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## C.E.O./EXECUTIVE DIRECTOR REVIEW

### Purpose

The CEO/Executive Director review strengthens Board/CEO/Executive Director trust and communication, enriches the Board's understanding of the challenges facing NUW, and provides the CEO/Executive Director with feedback on performance and opportunities for enhancement.

### Process

A CEO/Executive Director review will be conducted annually with the goal of having been completed in January so that compensation changes will be included in the annual budget process. All Board members and NUW staff will have the opportunity to complete, on an anonymous basis, a CEO/Executive Director evaluation survey and return same to the attention of the President. The President may also obtain confidential feedback on CEO/Executive Director performance from donors and partners. The President is responsible for reviewing completed evaluations and preparing a performance summary. All responses will be held in the strictest confidence. The CEO/Executive Director is responsible for preparing his/her own self-assessment and for proposing goals and objectives for the next year.

The President and the Vice-President will have an initial meeting with the CEO/Executive Director to exchange their views and findings. They will then have a second meeting to set a path to resolve any performance issues and/or take advantage of any enhancement opportunities that have been identified, and to agree upon a draft set of goals and objectives for the next fiscal year for the CEO/Executive Director.

Following the second meeting with the CEO/Executive Director, at a closed meeting of the Board of Directors, the President will report to the Board in a general manner regarding the review and will present the CEO/Executive Director's goals and objectives for the next year for Board approval.

### Reporting

The CEO/Executive Director will report quarterly to the Board on progress relating to his/her goals and objectives.

### Records

A file containing the performance review records will be maintained on NUW premises.



# Northumberland United Way Policies & Procedures Manual

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CATEGORY: RECRUITMENT

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## NOMINATION POLICY

### Purpose

The Board of Directors of Northumberland United Way (NUW) is committed to proactively identify and recruit individuals for Board membership.

### Policy

The Nominations Committee leads Board Succession planning. Specific responsibilities are outlined in the Nominations Committee Terms of Reference.

### Procedures

1. The Nominations Committee will begin recruitment for the next year's new Board member appointments approximately 6 months prior to appointment at the Annual General Meeting.
2. The following will be taken into consideration during recruitment:
  - a) Required composition, based on the Board Composition and Criteria Matrix;
  - b) Board officer position succession planning;
  - c) Board Standing Committee succession planning;
  - d) The required experience on Board Standing Committees prior to Board officer positions (i.e. Vice-President being a Chair of a standing committee, Treasurer being Chair of the Audit & Finance Committee).
3. Recruitment efforts will be tracked using the Board Composition and Criteria Matrix. This document will be for use strictly by the Nominations Committee for recruitment, selection and tracking of Board members.

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: GOVERNANCE

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APPROVED BY: BOARD OF DIRECTORS

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## BOARD SUCCESSION POLICY

### Purpose

The Board of Directors of Northumberland United Way (NUW) is committed to proactively identify and recruit individuals for Board membership.

### Policy

The Nominations Committee leads Board Succession planning. Specific responsibilities are outlined in the Nominations Committee Terms of Reference.

### Procedures

1. The Nominations Committee will begin recruitment for the next year's new Board member appointments approximately 6 months prior to appointment at the Annual General Meeting.
2. The following will be taken into consideration during recruitment:
  - Required composition, based on the Board Composition and Criteria Matrix;
  - Board officer position succession planning;
  - Board Standing Committee succession planning;
  - The required experience on Board Standing Committees prior to Board officer positions (i.e. Vice-President being a Chair of a standing committee, Treasurer being Chair of the Finance, Audit, & IT Committee).
3. Recruitment efforts will be tracked using the Board Composition and Criteria Matrix. This document will be for use strictly by the Nominations Committee for recruitment, selection and tracking of Board members.

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: FINANCE

ISSUED BY: FINANCE, AUDIT & IT COMMITTEE

PAGE: 1 OF 1

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## FINANCIAL INSTITUTIONS

Northumberland United Way (NUW) will maintain one or more bank accounts at a financial institution, referred to as the Primary Institution. NUW may also maintain investments accounts at other institutions or investment dealers where there is a demonstrated benefit to the organization.

The Primary Institution will hold accounts for chequing and deposits for day-to-day activities, but may also hold the investment accounts.

The Finance, Audit & IT Committee will make a recommendation for the approval to the Board of Directors after it completes a review of the tenders for such factors as security of funds, rate of interest, costs of service, and benefits to NUW, including security and controls offered by the financial institution, will be the deciding factors.

# Northumberland United Way Policies & Procedures Manual

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NUMBER: FIN02  
PAGE: 1 OF 5

## INVESTMENT POLICY

### **1. INTRODUCTION**

This Investment Policy has been adopted by the Board of Directors of Northumberland United Way (NUW) to provide guidance for the investment of its reserve funds.

This policy is to be reviewed annually and is intended to provide a clear understanding between NUW and its Investment Advisors, donors, and other interested parties concerning the objectives of the reserve funds and their investment policies.

All assets must be invested with care, skill, prudence and diligence in a way compatible with what a “prudent man” familiar with investment matters would do in similar circumstances.

### **2. INVESTMENT FUNDS**

Northumberland United Way will maintain three separate investment portfolios for the following:

- I. Unrestricted Reserve Fund (formerly the Operating Reserve Fund)
- II. Restricted Reserve Fund (formerly the Long-Term Reserve Fund)
- III. Endowment Fund

Unrestricted Reserve Fund – The Unrestricted Reserves are intended to cover temporary shortfalls in revenues. This fund is short-term in nature (0-12 months) and the amount of unrestricted reserves available for investment will consist of the cumulative excess of operating revenues over operating expenses plus short-term cash surpluses.

# Northumberland United Way Policies & Procedures Manual

## INVESTMENT POLICY

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**Restricted Reserve Fund** – The Restricted Reserves are intended to cover unforeseen expenses and initiatives. This portfolio will be managed with a view to capital preservation and to maximize growth within a low-risk framework. These reserves are intended to be longer-term in nature (1-5 years) and will consist of cash surpluses in excess of those maintained as Unrestricted Reserves and will exclude any amounts assigned to the Endowment Fund.

**Endowment Fund** –The Endowment Fund is intended to provide an ongoing source of investment income that can be used for charitable purposes, without depleting the funds' capital.

### **3. INVESTMENT OBJECTIVES**

The investment objectives are based on three key criteria namely, fund purpose, fund time horizon, and risk.

**Unrestricted Reserve Fund** – As the purpose of this fund is to cover temporary shortfalls in day-to-day operations, it has, by necessity, a short time horizon (0-12 months) and therefore, a need for a low risk profile. The investments should, therefore, also have a low-investment risk profile and a short-investment horizon. The objective, therefore, should be to provide a readily available, or convertible, source of funds which, when not required, can be held in the form of investments earning market rates.

**Restricted Reserve Fund** – The purpose of the Restricted Reserve Fund is to cover unforeseen expenses and initiatives. With good budgeting methodology, the risk of unforeseen expenses is reduced, which allows for a longer investment horizon (1-5 years). Although this longer investment horizon allows for a potentially higher investment risk profile, in keeping with the general principals of protecting donors trust, investments will be managed with a view to capital preservation while maximizing growth within a low-risk framework, ideally keeping pace with inflation.

**Endowment Fund** – The intent of the Endowment Fund is to create a fund which will generate a continuous source of revenue to be used for charitable purposes, without reducing the capital component of the fund. The investment objective for this fund would reflect the long-term nature of the endowment and would exceed the rate of inflation by 3% – 5%.

# Northumberland United Way Policies & Procedures Manual

## 4. ASSET DISTRIBUTION

The distribution of available cash between the Unrestricted Reserve and the Restricted Reserve Funds will be consistent with the following:

	Unrestricted Reserve Fund	Restricted Reserve Fund
Minimum	20%	50%
Maximum	50%	80%
Target	35%	65%

## 5. ALLOWABLE INVESTMENTS

**Unrestricted Reserve Fund** investments should be limited to Canadian Fixed Income Investments with minimal risk, such as:

1. Commercial Savings Accounts (insured by Canadian Deposit Insurance Corp. (CDIC))
2. Guaranteed Investment Certificates (CDIC insured; Cashable or 1-year term)
3. Treasury Bills (Government of Canada or Provinces)

**Restricted Reserve Fund** investments should follow a “capital preservation” approach, with an asset mix of:

- 50% or more Canadian fixed income
- 20-30% equity ( 5-15% Canadian; 10-20% US; 5-15% International)

And should be limited to securities such as:

1. Commercial Savings Accounts (insured by Canadian Deposit Insurance Corp. (CDIC))
2. Guaranteed Investment Certificates (CDIC insured)
3. Treasury Bills (Government of Canada or Provinces)
4. Government Bonds (Canada, Provinces, or Municipalities)
5. Money Market Funds
6. Exchange-traded funds
7. Mutual funds (no load)

80% of debt securities will be rated single-A or better (R-1 or better for money market securities) by a recognized rating agency. The remaining 20% must be triple B or better. Preferred securities will be rated P-2 or better. No cumulative equity investment in a single industry will exceed 5% of the portfolio value

**Endowment Fund:** Please see Endowment Policy.

**6. INVESTMENT MANAGEMENT**

Investment firm(s) whose lead individuals on NUW's accounts have at least seven years' investment experience and track record will manage the portfolios.

The Investment Firms will be selected based on a 5-year time frame, subject to a satisfactory annual performance review.

The Board will grant to the investment firm(s) authority over investment decision-making, subject to NUW's investment guidelines and in consultation with the C.E.O. or designated signing officers. The Investment Advisor will review with the Finance & Audit Committee any recommended changes to these guidelines.

All assets are held in accordance with the Trustee Act of Ontario.

**7. ROLES AND EXPECTATION OF THE PARTIES INVOLVED**

Finance & Audit Committee Responsibilities:

- Review the Investment Policy Statement annually;
- Select and appoint the Investment Advisor(s) to manage the funds according to the guidelines specified in the Investment Policy Statement (See Portfolio Management);
- Meet with the Investment Advisor(s) to review the Reserve Fund investments annually;
- Update the Board annually on the review and the Reserve Fund investments.

Investment Advisor(s) Responsibilities:

- Manage the funds and ensure that assets are held subject to the constraints set out in the Investment Policy Statement and any applicable legislation;
- Regularly communicate with the C.E.O. of NUW regarding the investments in the portfolio;
- Prepare annual written reports on the reserve fund investments;
- Meet with the Finance & Audit Committee annually;
- Notify the Finance & Audit Committee if at any time an investment or group of investments does not comply with the Investment Policy Statement;
- Identify provisions of the Investment Policy Statement that may need to be revised and provide a recommendation to the Finance & Audit Committee concerning such provisions.

**8. CONFLICT OF INTEREST POLICY AND DISCLOSURE REQUIREMENTS**

These guidelines apply to the NUW Board, the Finance & Audit Committee, its Investment Advisors, and any employee or agent retained by any of the foregoing to provide services related to investments of NUW.

Individuals listed above must disclose any direct or indirect association or material interest or involvement that would result in any actual, potential, or perceived conflict of interest with regard to the selection of the investments of funds. Without limiting the generality of the foregoing, this would include material benefit from any asset held in the funds, or membership on the Board of Directors of any corporations, or any actual or proposed contracts.

The person involved in the conflict shall disclose the nature and extent of the conflict to the Finance & Audit Committee upon first becoming aware of the conflict. Upon giving notice, the person(s) will refrain and withdraw from all discussions and participation in decisions pertaining to those matters where a conflict of interest exists or is perceived to exist.



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### DELEGATED SIGNING AUTHORITY FOR CHEQUES, CONTRACTS & DOCUMENTS

The delegated signing authority for the Corporation shall be the President, Vice-President, Treasurer, Secretary and the C.E.O./Executive Director. The signatures of two (2) signing authorities are required for any financial transaction of the Corporation unless otherwise specified by resolution of the Board.

To ensure that all expenses and commitments of Northumberland United Way (NUW) are appropriately approved, the Board of Directors will appoint signing officers on an annual basis.

### DELEGATED SIGNING AUTHORITY FOR TAX RECEIPTS

Tax receipts under \$1,000 may be signed by the Director of Resource Development or Director of Communications & Community Impact. Tax receipts \$1,000 and over, and In Kind receipts, must be signed by the C.E.O./Executive Director. In Kind donations will be valued per the guidelines set out by the Canada Revenue Agency. Tax receipts for the C.E.O./Executive Director will be signed by one of the signing authorities (See above Delegated Signing Authority for Cheques, Contracts, and Documents).

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## FRAUD PREVENTION

### Policy

Cheque fraud is a significant organizational risk with the potential for financial loss and damage to reputation and brand. This policy is intended to mitigate this risk through appropriate internal controls and a strong working relationship with our financial institutions.

### Procedure

1. All payments will be made in compliance with the procedures documented in the Signing Authority and Purchase policies.
2. Staff and/or Board representatives will meet at least annually with the financial institution to review and discuss current cheque fraud and other risks such as electronic banking, phishing, etc. The discussion will also consider the cost/benefit of implementing any new financial controls to further mitigate the risk. Examples of current controls include dual signatures, cheque watermarks, physical document reviews by the bank, and other bank controls.
3. All bank accounts will be reconciled monthly. Reconciliations must be completed within 30 days of the statement date to allow sufficient time for recourse with the bank in the event of an error or fraud.
4. Segregation of duties will be in place to ensure multiple personnel are involved in transactions involving cheque payments. Examples of segregation of duties include:
  - a. Minimum of two signatures per cheque
  - b. EFT files are created and submitted by different people to create the same level of control as when issuing cheques
  - c. Internal controls such as reconciliations are reviewed independently
  - d. Cheque registers will be reviewed by someone other than the person responsible for issuing cheques prior to being released
5. The use of cheques will be reduced through the use of alternate payment methods such as Electronic Funds Transfers (EFTs) where appropriate. EFTs will be the preferred method of payment for vendors receiving regular payments.
6. All blank cheque stock, voided and returned cheques will be physically secured in a room or cabinet where access is limited to only personnel requiring access as part of their direct work responsibilities.

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## PURCHASES

To promote cost efficiency for Northumberland United Way (NUW) and fairness to suppliers in the distribution of NUW business, NUW will offer the opportunity for businesses to tender or respond to a request for proposal for major purchases and services over \$5,000 (including banking, technology, insurance, printing, and preparation of campaign materials).

In choosing a supplier, the best total value will be calculated. Value criteria include cost, product quality, service (including response time), and support of NUW. References may be considered. A minimum of three suppliers (where possible) will be contacted. . NUW's requirements will be specified in writing, the deadline for receiving tenders clearly stated, and all tenders will be kept confidential. The lowest tender is not necessarily always accepted. Where the lowest bid is not selected, the rationale shall be documented and reviewed with the Finance & Audit Committee prior to award.

For purchases under \$5,000, verbal quotes from three suppliers (where possible) will be obtained, subject to the discretion of the C.E.O./Executive Director

Any purchase or commitment over \$5,000 must be approved by the Board of Directors before proceeding, unless a previously approved budget item. Any purchases exceeding the amount approved by the budget by over 10% must be approved by the Board.

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## FINANCIAL REPORTING

### Policy

To ensure financial accountability, transparency, and that the Board of Directors is current on the financial position of Northumberland United Way (NUW), the financial statements will be a fair representation and consistent with guidelines from the United Way of Canada.

### Procedure

1. On a monthly basis, the Treasurer/Director of Finance will present the monthly financial results to the Board of Directors.
2. Reporting will consist of actual versus budget, year to date.

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## ANNUAL BUDGET

### Policy

Each year, the C.E.O./Executive Director, Director of Resource Development, and Director of Finance will prepare the annual budget for presentation to the Finance, Audit & IT Committee and Board of Directors of Northumberland United Way (NUW).

### Procedure

1. Funds raised are distributed after accounting for the following:
  - a) General Management & Administration expenses: An amount shall be set aside to cover the budgeted expenses for the general operation of NUW, including staff salaries, rent, and general office expenditures.
  - b) Fundraising expenses: There shall be an amount deducted to cover the cost of publicity and advertising, campaign material and supplies, mailing costs, staff salaries, and costs involved in collecting pledged funds.
  - c) Program Expenses: An amount shall be set aside to cover the budgeted expenses for the general operation of programs of NUW.
  - d) United Way of Canada: NUW is required to have membership in United Way of Canada, which owns the United Way trademark and provides certain services to all United Ways in the country. The annual dues are based on total revenue as presented in the audited financial statements.
  - e) Donor Choice: Under the Donor Choice program, donors may elect to have part or all of their donation go directly to a community partner, to another United Way, or to any other registered charity in Canada.
  - f) Community Partner Allocations: Funds are distributed to community partner organizations based upon allocations determined through the Community Impact Process and availability of dollars. This process considers an organization's financial requirements, community needs, and ability to support the objectives of NUW.

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ANNUAL BUDGET

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- g) Grant funding: Funds are provided to community organizations for one-time projects, initiation of programs, and other similar needs as determined by the Community Impact Committee and the Board of Directors.
- h) Pledge loss: Every year, a percentage of pledges made to NUW cannot be collected due to layoffs, plant closures, unemployment, transfers, etc.
- i) Surplus Funds: Should surplus proceeds remain for any year, the utilization of such funds shall be determined by the Board of Directors.
- j) Fundraising Shortfall: Should funds raised through the fundraising initiatives fall short of the goal, the Board of Directors shall determine appropriate distribution of the funds.

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CATEGORY: ANNUAL FUNDRAISING  
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## DONOR CHOICE POLICY

The Community Fund is the money that goes directly to Northumberland United Way (NUW) funded programs and partners. Benefits of giving to the Community Fund include:

- a) a Community Review Process directs funds where services are most needed;
- b) a broad range of services are funded;
- c) fundraising is cost effective;
- d) one gift supports a variety of services; and
- e) the donor is assured of the integrity of the organizations supported and reviewed.

At the same time, NUW recognizes that the ability to generate funds for the Community Fund is directly dependent on the ability to respond to the needs of donors. Donors want the option to make choices and exercise control over the purchase/investment/donation decisions. This is the reason that NUW offers choice to donors.

NUW promotes the value of donors entrusting gifts to the Community Fund, allowing volunteers and professional staff using the allocation process to determine where donations will have the most impact. Based on this, NUW:

- a) promotes the option of donors directing funds to the Community Fund;
- b) offers options for donors to direct all or part of the donations to NUW funded community partners and to United Ways anywhere in Canada; and
- c) accepts gifts where donors choose to direct all or part of the donations to any other registered Canadian charity providing human and health services.

Designations to any registered Canadian charity will be accepted as a service to individual donors. NUW will not actively solicit designations to any registered Canadian charities from corporations or foundations.

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## Procedure Regarding Designations

1. Designations to another United Way, a specific NUW community partner or a specific registered Canadian charity shall be a minimum of \$75.00. In order to equitably recoup administrative and fundraising costs, organizations receiving designations will be assessed an administrative fee of 15% from each donation (cash, cheque, credit card, or pledge) with a maximum of \$500 per designation. The actual percentage of pledge loss will also be retained by NUW from designations through payroll pledges. There will be no administration fee charged for designations to other United Ways.
2. Designation payments to other organizations received through credit cards or on-line donations will be based on actual dollars received by NUW, net of any credit card or on-line fees, less the administration fee of 15% to a maximum of \$500.
3. Requests to exclude a specific agency from receiving funding (i.e. negative designations) will not be honoured.
4. Any designations to NUW's funded community partners are treated as first dollars in. Total donor designations that exceed the allocated amount to a funded community partner will be paid to them as such designations are received by NUW.
5. Funds designated to a specific organization which NUW cannot distribute because the organization is not a registered Canadian charity, or because the charity name is not legible on the pledge card, will be directed to the Community Fund.
6. Cash, cheque, Visa, MasterCard, and Amex designations received during the campaign year will be forwarded to the organization prior to year-end. Designations received through payroll deductions will be forwarded annually following payment of the pledge, prior to year-end when payment is completed, and will be based on the dollars received, net of any pledge loss.
7. In keeping with NUW's Privacy Policy regarding confidentiality of donors, the list of donors designating gifts will be kept confidential unless requested by the donor to provide the information. Organizations will be advised of amounts designated and NUW will thank and receipt donors.



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## RESERVE FUNDS

### Policy

The general reserve represents the remaining net assets which include monies raised and pledged during the campaign year. The organization intends to maintain a minimum cash on hand amount equivalent to three months of operations and community investment dollars.

The Operating Reserve Fund was established to ensure that a pool of funds would be available in the event of an emergency (a significant non-recurring event). The use of this fund is at the discretion of the Board of Directors.

The Building Reserve Fund was established to ensure that funds are available for maintenance/upkeep of the Swayne Street property at the discretion of the Board of Directors.

The IT Capital Reserve Fund was established to ensure that funds are available for the purchase of technology equipment as required and approved by the Board of Directors.

### Procedure

1. The General Fund breakdown consists of a minimum of three-month's operating reserve, community programs and agencies reserve, an amount brought forward to the annual budget as recommended by the Finance, Audit & IT Committee and approved by the Board, and a portion for unallocated reserve to be used at the discretion of the Northumberland United Way Board of Directors.

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### STOCK TRANSFERS

NUW will provide the opportunity to donate to other organizations through stock transfers with a requirement that a gift be made to the NUW Community Fund in the greater amount of a leader gift, or 10% of the value of the stock at the time of sale.

If the stock donation includes designations to over three (3) other organizations, an administration fee of \$200 for each additional designation over three may apply.

Such stock is to be sold immediately upon receipt.

NUW reserves the right to decline any donation of securities, at the discretion of the C.E.O./Executive Director/Executive Committee.

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## ANTI-TERRORISM/MONEY LAUNDERING

### Policy

NUW is committed to high standards of ethical, moral and legal conduct. NUW acts in good faith to understand and comply with legislation relating to anti-terrorism/money laundering as it applies to charities. Post 9/11 there has been an increase in the power of legislation regarding anti-terrorism and money laundering. While NUW considers itself to be a low-risk charity given the local focus for both fundraising and funding, awareness and updates will ensure ongoing compliance. This will also protect the organization and its directors from the risk of charitable status loss or fines.

The objective of the policy is to help protect NUW and its Directors and employees from inadvertently being used as a vehicle for money laundering and terrorist financing.

### Process

1. Review Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) legislation annually or when made aware of changes, to ensure we continue to be in compliance with the Act.
2. Enhance the Board and employee orientation to include a section on anti-terrorism/money laundering designed to facilitate understanding and demonstrate the importance of compliance.
3. Annual sign-off by Directors and employees that they are aware that failure to comply could result in loss of charitable status or financial penalties for them.
4. Perform due diligence on all community partners as part of the Partner Agency Agreement processes. For example, we will enquire whether our community partners require police checks for Directors. If so, we will rely on this as additional comfort in discharging our duties.

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CATEGORY: RESOURCE DEVELOPMENT  
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## MAJOR GIFTS AND PLANNED GIVING

The objective of the Major and Planned Gifts Program is to encourage donors to make both outright and deferred gifts. These policies are designed to provide guidelines to staff and volunteers of Northumberland United Way (NUW) and establish practices and procedures by which the major gifts and planned giving activities of NUW will be conducted.

### Policy

1. The policy of NUW is to inform, guide, or otherwise assist donors who wish to support NUW's activities, but never under any circumstances, to pressure or unduly persuade. Representatives will exercise good judgment when dealing with prospective donors with the mutual interests of the donor and of NUW as the guiding principal.
2. Subject to these Policies and Procedures, the Director of Resource Development, and the C.E.O./Executive Director are the only people authorized to negotiate major and planned gifts with prospective donors on behalf of the Board of Directors.
3. Authorized representatives of NUW will not accept any gift knowingly in violation of the requirements of the Canada Revenue Agency (CRA) or any other federal or provincial laws. NUW shall not accept any gift, which improperly provides benefit to any individual or organization that would jeopardize the charitable status of NUW.
4. Persons acting on behalf of NUW will, in all cases, strongly encourage the prospective donor to have their gift plans reviewed by an independent legal and/or tax advisor of the donor's choice so as to ensure that the donor receives a full and accurate explanation of all aspects of the proposed charitable gift. NUW shall not give legal, tax or financial advice to anyone and donors will be advised to consult with their professional advisors.
5. CRA requires satisfactory evidence of fair market value of a gift. Although the term "fair market value" is not defined in the Income Tax Act, the generally accepted meaning is the price the property (ie. real estate, artwork etc.) would bring in an open market transaction between a willing buyer and a willing seller, acting independently of each other, and having full knowledge of the facts. An arm's length sale and purchase of the property, at or near the effective date of valuation, is normally considered the best

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MAJOR GIFTS & PLANNED GIVING

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proof of value at the time. NUW will use the above meaning when determining fair market value for the purpose of issuing charitable tax receipts. Fair market value does not include any amounts paid or payable to other parties, such as commissions to sales agents or sales taxes.

6. All information concerning prospective donors and current donors, including names and addresses, names of beneficiaries, nature and value of estate, amounts of gifts and/or gift provisions etc. will be kept strictly confidential by NUW staff and members of the Board of Directors, unless a donor gives permission to use selective information for the purpose of referral, testimonial or by example. Donor anonymity will be respected if requested and where applicable.
7. Any NUW employee or member of the Board of Directors shall disclose their personal involvement with NUW when dealing in an advisory role with a donor involving a possible gift to NUW.
8. NUW shall not prepare documents relating to a donor's estate plan, such as Wills, Trusts, or Powers of Attorney. All donors will be advised to have these documents prepared by their professional advisors.
9. Generally, donors shall be responsible for the fees incurred in the provision of advisory services for the purpose of Estate and Provincial Planning. In certain gift planning situations, the perceived economic benefit may be sufficiently persuasive to suggest that NUW consider paying professional charges directly related to the transaction of a proposed gift. Payment of fees would be on the recommendation of the Resource Development Committee and subject to Board approval.
10. All Planned Giving Agreements requiring execution by NUW shall first be reviewed and approved as to form and content by NUW's legal counsel.
11. NUW reserves the right to decline any gift which does not promote the image and further the mission and goals of NUW or which would result in the occurrence of excessive expense or administrative effort.
12. Generally, gifts for designated purposes should be made in such a way that the designated purpose is described broadly and detailed restrictions are avoided so that NUW may apply the gift to some other purpose if the designated purpose or restricted use is no longer reasonably feasible with respect to the charitable operations of NUW. Any gift entailing restrictions on the use of the gift will be referred to the Board of Directors for approval prior to acceptance.

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### MAJOR GIFTS & PLANNED GIVING

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13. Outright gifts of cash, publicly-traded securities, and life insurance do not require approval by the Board of Directors or Resource Development Committee. Any of the above gifts, however, will be referred to the Board if subject to possibly unacceptable restrictions.
14. NUW is authorized to accept gifts of the following:
- *Cash*
  - *Publicly Traded Securities*
  - *Closely Held Securities*
  - *Charitable Trusts*
  - *Outright Gifts of Real Property*
  - *Outright Gifts of Personal Property*
  - *Life Insurance Policies*
  - *Beneficiary of Investment Plans, Life Insurance, Retirement Plans*
  - *Bequests*
15. Acceptance of gifts to NUW may be subject to review on a case-by-case basis and acceptance shall be based upon the recommendation of the C.E.O./Executive Director after a thorough review by the Resource Development Committee, and by such other professionals or advisors as the RDC deems appropriate and subject to the approval of the President and Executive Committee.

### Procedures

The following procedures have been established to ensure that planned gifts accepted by NUW will be cost-effective, limit exposure and consistent with NUW's aims and principles. This policy and the accompanying procedures may be amended by the Board of Directors from time to time.

### GIFTS OF CASH

Gifts of cash to NUW may be accepted. Cash also includes cheques, money orders, debit/interac and credit cards. Donors should indicate any restrictions or intentions regarding the cash gift in accompanying correspondence or pledge forms.

### GIFTS OF PUBLICLY TRADED SECURITIES

Gifts of publicly traded securities to NUW may be accepted. Publicly traded securities are defined by CRA and include a share, debt obligation, or right listed on a prescribed list of Canadian and Foreign stock exchanges, share in a mutual fund corporation, a unit of a mutual fund trust, or interest in a segregated fund.

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### MAJOR GIFTS & PLANNED GIVING

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#### Sale or Retention of Securities

Securities are to be sold immediately upon receipt. NUW shall not accept gifts of securities in the following forms:

- Securities which are assessable or in any way could create a liability.
- Securities which by their nature may not be assigned.
- Securities which upon investigation have no apparent value

#### Transfer Methods and Date of Gift

Gifts of publicly listed securities may be handled in one of two ways.

- **Transfer of securities** – The donor may instruct their investment advisor to electronically transfer securities, in negotiable form, from their account to a NUW brokerage account. This is the preferred method. The date of the gift is generally the date the securities are received into NUW's brokerage account
- **Presentation of certificates** – The donor may deliver properly endorsed certificates (signed off on back or with a stock power of attorney, signed exactly how registered). Signature must be guaranteed by a bank or the investment firm to which the shares are being deposited. An ownership disclaimer is required if the donor does not have an account with the receiving investment institution. This form must be notarized by a notary or lawyer.

NUW retains the right to decline a gift of securities by electronic transfer or presentation of certificates made without prior advisement from the donor and NUW's acceptance.

#### Valuation

- **Gift of Securities by Will** – It is CRA's view that the value of the gift of securities is the value immediately before death and not when the securities are subsequently received by the charity. As such, NUW will generally issue donation receipts for securities at the value immediately prior to death.
- **Gift of Securities during lifetime** – The CRA has, as a general rule, accepted the use of the closing bid price of the share on the date it is received. As such, NUW will generally issue donation receipts for securities at the closing bid price or the equivalent at the date of gift.

#### Registration, transfer and brokerage fees

Generally, as the donor allocates the net proceeds of the gift, costs will be borne according to NUW's Donor Choice Policy and Stock Transfers Policy to designated beneficiaries.

#### Interest received on Brokerage Accounts

Any interest received on brokerage accounts will be retained by NUW.

# Northumberland United Way Policies & Procedures Manual

## GIFTS OF CLOSELY HELD SECURITIES

Gifts of closely held securities such as shares or debt obligation of a private corporation, to NUW may be accepted. Such gifts will be reviewed on a case-by-case basis and acceptance shall be based upon the recommendation of the Board of Directors after a thorough review by the C.E.O./Executive Director and by such other professionals or advisors as the C.E.O./Executive Director deems appropriate and subject to the approval of the Resource Development Committee.

### Acceptance Criteria

The following guidelines govern the acceptance of gifts of closely held securities:

- The donor's wishes must be in writing indicating the intention to make the gift and its purpose.
- Valuation of the gift is to be determined by an independent valuation firm acceptable to NUW.
- Copies of any governing instruments and agreements restricting transferability should be provided.
- The donor must assign ownership of the securities to NUW.
- Liquidity and marketability of the securities is a key factor. Assess, in consultation with appropriate parties, whether the securities can likely be sold in the future to the issuer, shareholders, or others interested in acquiring the issuer. Preferably the donor will agree to a securities redemption schedule and/or a paid-up life insurance policy on the donor to fund redemption in the event of the donor's death.
- NUW must have authorization to sell the securities, perhaps after an initial agreed duration.
- NUW retains the right to decline a gift; which could create a liability, or cannot be assigned, or has no apparent value.

## CHARITABLE TRUSTS

NUW may accept two types of irrevocable trust arrangements:

- A Remainder Trust pays the donor income from investment assets, typically securities, for life or for a number of years, and then distributes the principal to NUW.
- A residual interest in real property or artwork whereby the asset is donated today, but the donor or persons they name retains the use of it during their lifetime. A residual interest can be granted with or without a formal trust document, either form may be acceptable.

The C.E.O./Executive Director is authorized to accept irrevocable charitable remainder trust arrangements on behalf of NUW, with the exception of a trust owning real property or artwork. A remainder trust holding real estate or artwork, or a gift of a residual interest trust in real property or artwork will be subject to a thorough review by the Resource Development Committee (RDC) and by such other professionals or advisors as the RDC deems appropriate, and subject to the approval of the President.



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## MAJOR GIFTS & PLANNED GIVING

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### Acceptance Criteria

The following guidelines govern the acceptance of both remainder and residual interests:

- NUW retains the right to decline a gift of a remainder or residual interest; which could create a liability, or cannot be assigned, or has no apparent value.
- All trusts and agreements will be reviewed with NUW's legal counsel.
- During the administration of a trust or a residual interest, the C.E.O./Executive Director, in consultation with NUW's legal counsel, shall represent NUW in dealings with the donor and their representatives.
- The donor shall be responsible for maintenance, taxes, insurance, utilities, sales, and rental costs, unless otherwise agreed to by NUW.
- The value of the donation tax receipt is determined by the discounted value of the gift calculated in current dollars. Refer to CRA IT-Bulletins, and when considered necessary, use actuarial or tax counsel.

## GIFTS OF REAL PROPERTY

### Acceptance Criteria

The following guidelines govern the acceptance of real estate:

- The donor's wishes must be in writing indicating the intention to make the gift and its purpose.
- Valuation of the gift is to be determined by an independent valuation firm acceptable to NUW.
- Copies of any governing instruments and agreements restricting transferability must be provided.
- Various factors, including zoning restrictions, the results of a mandatory environmental assessment, marketability, current use and cash flow, will be taken into account to ascertain that acceptance of the gift is in the best interest of NUW.
- The donor must assign ownership of the real estate to NUW.
- It is NUW's policy to sell the real estate as soon as possible.
- In rare exceptions, the real estate may be retained and/or disposed of pursuant to a donor's request with the approval of the Board of Directors. The administration of the real estate will be delegated to a property management company.
- NUW retains the right to decline a gift; which could create a liability, or cannot be assigned, or has no apparent value.

## GIFTS OF PERSONAL PROPERTY

### Acceptance Criteria

The following guidelines govern the acceptance of personal property:

- The gift should be such that it can be retained as a NUW asset and used in connection with NUW activities, with discretion as to its use and management, or disposed of for proceeds.

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### MAJOR GIFTS & PLANNED GIVING

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- If the donor wishes to receive an income tax receipt for the gift in kind, NUW will request a written letter of offer from the donor before proceeding with the establishment of fair market value.
- Expenses associated with independent valuations will be, whenever possible, borne by the donor.
- NUW will require an independent appraisal for gifts valued at greater than \$1,000. If deemed necessary, NUW will seek two independent appraisals.
- Gifts of less than \$1,000 will include one appraisal. Where the gift is \$1,000 or less, CRA will accept a valuation made by a NUW staff member, provided the staff member is knowledgeable in the field, and is qualified to establish the value of the gift.
- If it is difficult to find an independent appraiser, or if doing so would involve unwarranted expense, CRA will accept a valuation from a qualified staff member of the charity for gifts in excess of \$1,000. Evidence of attempts to secure an independent evaluator or evidence of excessive expense must be provided.
- If the discrepancy between two valuations is less than 10 per cent, NUW will take the average of the two. In instances of a discrepancy greater than 10 per cent, NUW will take the lower of the two, or the donor may choose to have a third valuation conducted. In the latter instance, the average of the three values is deemed to be the fair market value.
- NUW retains the right to decline a gift; which could create a liability, or cannot be assigned, or has no apparent value. It may be preferable and less costly for the donor to sell the property and donate the proceeds.

### GIFTS OF LIFE INSURANCE

Gifts of life insurance policies to NUW may be accepted.

#### An Existing Policy

- A donor may donate an existing policy to NUW by absolutely assigning ownership and naming NUW as beneficiary.
- NUW will issue a charitable tax receipt for the policy's cash surrender value, including any accumulated dividends and interest.
- If the policy is not yet fully paid-up, the donor will receive charitable tax receipts for any additional premium payments or deposits made after the policy is assigned. If the donor makes payments directly to the life insurance company a charitable tax receipt will only be issued upon written confirmation of premium payment from the company or their representative.
- Upon the donor's death, NUW receives the death benefit proceeds from the life insurance company. No charitable tax receipt is issued.

## Northumberland United Way Policies & Procedures Manual

### A New Policy

- A donor may donate a new policy that names NUW as owner and beneficiary.
- NUW will issue a charitable tax receipt for annual policy premium payments or deposits. If the donor makes payments directly to the life insurance company, a charitable tax receipt will only be issued upon written confirmation of premium payment from the company or their representative.
- Upon the donor's death, NUW receives the death benefit proceeds from the Life Insurance Company. No charitable tax receipt is issued.

### Acceptance Criteria

The following guidelines govern the acceptance of a life insurance policy gift:

- Type of Policy – The policy should be a form of permanent policy, with a cash surrender value. The two basic forms of permanent insurance are “whole life” and “universal life.” Cash surrender values represent an asset NUW can choose to receive, or use to pay premiums if the donor ceases payment. NUW may continue funding the policy or convert it to a reduced paid-up policy. A term to age 100 policy is a term-insurance product with level premiums for life, with no cash surrender value. We may accept a term to age 100, however, our preference is for a permanent policy.
- Transfer of Ownership – An absolute assignment of policy ownership to NUW will be executed and the date of the donor's signature on the absolute assignment form is the date of the gift.
- Designated Beneficiary – NUW will be designated as beneficiary of the policy, either on the policy application, or at the time of absolute assignment of policy ownership to NUW.
- Letter of Request – A donor may request a percentage of the death benefit be directed to other Canadian or prescribed charitable organizations. NUW may agree in which case the donor will be asked to submit a Letter of Request as approved by NUW's legal counsel.
- Amending Letter of Request - Subsequently, the donor may request amendments to the original or amending Letter of Request. NUW cannot be excluded or its percentage of the death benefit decreased.
- Minimum percentage to NUW – The general rule is a minimum of 25% of the death benefit proceeds received by NUW should be for the benefit of NUW. Exceptions may be made considering age of the life insured, death benefit amount, premium pledge period, and other relevant factors, but only upon prior discussion with the C.E.O./Executive Director
- Confirmation letter from NUW to the donor will confirm the distribution of the insurance proceeds 100% to NUW, or request the donor to sign and return the Letter of Request as agreed to prior to the absolute assignment of the policy.

## Northumberland United Way Policies & Procedures Manual

- Premium payment – NUW’s preference is for the donor to make direct payment of the premiums or deposits to the life insurance company or their representative. However, if requested, NUW will make the premium payments and allocate from the donor’s cash gift.
- Pledge period – Preferably, the policy funding is designed to achieve paid-up status or be self-funding after ten years. As a result, persistency of the policy is improved. However, not all donors are willing or able to meet these criteria. Ten-year funding is an objective, not a mandatory requirement.
- If the donor ceases or reduces premium payments or deposits, and there is insufficient cash value to keep the policy in-force for the projected lifetime of the life insured, NUW as policy owner may decide to:
  - make policy payments to conserve policy values, or
  - convert to a reduced paid-up policy, or
  - surrender the policy to receive any cash value.
  - Each situation will be reviewed on a case-by-case basis.

### BENEFICIARY OF INVESTMENT PLANS, LIFE INSURANCE, & RETIREMENT PLANS

NUW may be named as a designated beneficiary of:

- deferred annuities and segregated funds issued by life insurance companies, or
- life insurance policies, or group or association life insurance plans where NUW is not the owner, or
- registered retirement savings plans, registered retirement income funds, or registered retirement plans or similar plans.

NUW may accept designated beneficiary gifts. The C.E.O./Executive Director is authorized to accept designated beneficiary gifts. Any designated beneficiary gift which, in the opinion of the C.E.O./Executive Director has social or other sensitive implications is subject to the approval of the C.E.O./Executive Director

Donors are invited and encouraged to provide information to NUW about their beneficiary designation and, if they choose, to send to NUW a copy of the designation form. In addition, this will allow for appropriate recognition during the donor’s lifetime. Note, as a minimum we require verbal indication of provision of a beneficiary designation to NUW for recognition purposes.

### BEQUESTS

Bequests to NUW may be accepted. NUW is in all cases notified of a bequest when the executor applies for a Grant of Letters Probate.

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### Acceptance Criteria

The following guidelines govern the acceptance of bequests:

- All letters, copies of Wills and probate documents are forwarded to the C.E.O./Executive Director
- The C.E.O./Executive Director reviews the terms of the Will. If the terms are complex or legal issues arise, legal counsel may be consulted and the necessary action initiated to resolve any concerns.
- Any bequest which, in the opinion of the C.E.O./Executive Director, exposes NUW to an uncertain and potentially significant liability or if issues relating to social, environmental, or other sensitive matters arise, is subject to the approval of the Resource Development Committee.
- Gifts in kind, for example real property or gifts of publicly traded securities, will also be subject to the approval acceptance criteria for those gift types.
- The value of the donation tax receipt is determined by the fair market value of the bequest at the date of death. When receipting gifts in kind, such as shares, although the value will likely have changed, the receipt should be at the value on the date of death. If there is an intervening life interest or other condition delaying the actual receipt of the bequest, fair market value is determined on a discounted basis. Refer to CRA IT-Bulletins.
- Upon approval to accept a bequest, all documentation is forwarded to the C.E.O./Executive Director for administration, which includes record-keeping, review of accounts and investments, and execution of releases.
- Liaison with the executor, legal and other advisors, and family members where appropriate is primarily the responsibility of the C.E.O./Executive Director

Donors are invited and encouraged to provide information to NUW about their bequest and, if they choose, to send NUW a copy of the relevant section of their Will. This will enable NUW to review the wording to ensure that the gift can be used in accordance with the donor's intentions. In addition, this will allow for appropriate recognition during the donor's lifetime. Note, as a minimum, we require verbal indication of provision of a bequest to NUW for recognition purposes.

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: RESOURCE DEVELOPMENT

PAGE 1 OF 4

ISSUED BY: RESOURCE DEVELOPMENT COMMITTEE

APPROVED BY: BOARD OF DIRECTORS

DATE OF ISSUE: February 26 2019

DATE OF LAST REVIEW/UPDATE: MAY 28 2019

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## ENDOWMENT POLICY

### Purpose:

To establish and operate a long-term pool of funds that will provide an ongoing stream of income needed to further the mission of Northumberland United Way (NUW).

This Endowment Fund is created to produce a reliable source of income on a continuing basis, often to address a continuing need. Typically, only the investment income (or a portion thereof) is used for the operating purpose and the principal is invested in such a way as to provide some growth to keep pace with inflation while protecting the principal. Endowment Funds are generally held in perpetuity, which means they will be invested to sustain initiatives of NUW.

The Endowment Fund operated pursuant to this policy is named the Northumberland United Way Endowment Fund.

### Types of Endowment Funds

- A. Donor Created Named Endowment Funds** – A named Endowment Fund can be started by a donor(s) with a minimum capital gift of \$25,000 and additional contributions to the fund can be made at the discretion of donor(s) and others during their lifetimes and beyond. The Endowment Fund can be named in memory of a loved one, can bear a family name, or community group name or that of a program or service in furtherance of NUW's mission. The decision rests with the donor(s) who establish the fund but it must be approved by NUW's Board of Directors.
  
- B. Board Created Endowment Funds** – These funds are created by action of the Board of Directors of NUW. The Board may create a general Endowment Fund and Endowment Funds for any specific program or service in furtherance of NUW's mission.

All Endowment Funds created by donors and the Board of Directors of NUW pursuant to this Policy will be managed and invested together as one pool.

## Northumberland United Way Policies & Procedures Manual

### ENDOWMENT POLICY

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Each year, a portion of the total investment return and/or capital is made available to be expended annually in support of NUW as outlined below in the investment and disbursement of funds.

#### Pledges

Donors have the opportunity to fulfill their commitment to a Named Endowment Fund with a pledge.

A minimum contribution of 20% of the total commitment must be made at the time of signing the named Endowment Fund agreement. The balance is payable over the next four years.

The named endowment becomes effective when the contributions to this fund equal at least \$25,000. Any funds received below this \$25,000 minimum will be considered general in nature, remain unnamed, and will be pooled with other Endowment Funds.

No investment earnings are disbursed during the “build up” years of a named Endowment Fund, but once the capital has passed the \$25,000 mark, investment earnings realized during the previous years would then become available for charitable disbursement under the named Endowment Fund.

Unfulfilled pledges may have both capital and income directed to the original purpose of the donor, at the discretion of the Board.

#### Payment Method

Gifts to the NUW Endowment Fund (whether or not a named Endowment Fund) may be made in the form of cash and marketable securities. Gifts of real estate, personal property, life insurance, and gifts resulting from provisions in a will (bequests) or revocable trusts can also be used to fund endowment but, in each such case, require approval of the Board of Directors of NUW.

#### Ten Year Direction Requirements

Donors choosing to make gifts for endowment purposes will be asked to complete a form, authorizing and directing NUW to hold the gift as endowment for *at least 10 years*<sup>1</sup>, consistent with CRA guidelines.

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<sup>1</sup> Section 149.1(1)(e)(i) of the Income Tax Act

# Northumberland United Way Policies & Procedures Manual

## ENDOWMENT POLICY

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### Endowment Agreements

A named Endowment Fund can be established either by a lifetime gift or by bequest. When it is created with a lifetime gift, the donor and NUW will sign an Endowment Fund agreement that sets forth the terms of the endowment. When the donor executes a will containing language directing that a named endowment be established, no other document is required.

Contributions for existing named endowments or unrestricted gifts for the general endowment require only a transmittal letter or bequest language stating the donor's intention.

Each Endowment Agreement will contain a "power to vary" clause to permit a change in purpose to a similar or related purpose if NUW deems the designated purpose no longer appropriate.

### Board Approval

All gifts to the NUW Endowment Fund which contain restrictions as to use of the funds or directions to disburse capital after at least ten years, and all endowment agreements require acceptance by the Board of Directors of NUW.

### Investment and Disbursement of Funds

NUW places the Endowment Funds into a professionally managed long-term investment portfolio. All Endowment Funds, restricted and unrestricted, will be consolidated for investment purposes.

NUW shall be permitted to recover reasonable expenses for administering the NUW Endowment Fund not to exceed, in any one year, 1% of the asset value of the Fund at the end of the fiscal year.

Consistent with current Canada Revenue Agency (CRA) requirements, a *minimum* 3.5% of the value of NUW's {Endowment Funds} invested assets (after administration fees) will be expended each year for endowment program purposes.

The Board of Directors of NUW is responsible for selecting and evaluating the professional fund manager, creating an investment policy specific to the NUW Endowment Fund and for updating this Policy.



# Northumberland United Way Policies & Procedures Manual

## ENDOWMENT POLICY

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### **NUW Policy on Fundraising Principles and Guidelines**

This Endowment Policy cancels and supersedes all of the section entitled, “Naming Gifts” in NUW’s policy on Fundraising Principles and Guidelines, without prejudice to anything done under such section.

#### **REFERENCE (S):**

Appendix G – Endowment Fund Agreement

Appendix H – Named Endowment Funds

# Northumberland United Way Policies & Procedures Manual

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CATEGORY: Community Impact  
ISSUED BY: Community Impact Committee  
APPROVED BY: Board of Directors  
DATE OF ISSUE: November 26 2019  
DATE OF LAST REVIEW/UPDATE:

NUMBER: CI  
PAGE: 1 OF 2

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## PROCEDURE FOR NON-COMPLIANCE

### **Policy**

The Community Partnership Agreement is a legally binding contract between NUW and community organizations who receive funding through our Community Impact Investment Fund or our Community Impact Grant Fund. Both organizations agree to open and accurate communications and to notify each other of any significant changes that would affect services, funding, plans, or operations. In addition, there are specific requirements agreed to by the community partner as a condition of funding.

If a community partner does not adhere to the Agreement, the organization is considered to be noncompliant. The following is a non-exhaustive list of circumstances in which a community organization will be deemed noncompliant:

- failure to inform NUW of any significant organization changes such as senior leadership (Executive Director, Board Chair, Senior Staff, etc), financial, governance, programming issues, or public relations issues;
- misuse of United Way funding and/or using NUW for other programs or services not covered under the Community Partnership Agreement;
- failure to comply with the terms and/or conditions of NUW funding and/or the Community Partnership Agreement;
- provision of inaccurate and/or misleading information and/or reporting to NUW related to the community organization's application and/or the funding;
- loss of registered charitable status;
- breach of privacy policies established by relevant federal and provincial privacy legislation;
- failure to engage in activities such as a fundraising event, a donor appreciation event or volunteering at an event in support of NUW as outlined in the Community Partnership Agreement;
- failure to notify United Way in advance of launching a capital campaign;
- failure to include United Way recognition of funded programs/services in materials and other communications, if and when appropriate;
- failure to hold a recognition event within the funding year to recognize United Way funding and support; and/or,
- any other inappropriate conduct that, in the opinion of NUW, adversely affects the reputation of United Way.

# Northumberland United Way Policies & Procedures Manual

## PROCEDURE FOR NONCOMPLIANCE

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### Procedure

All issues of noncompliance will be reported to the Board, through the Community Impact Committee or Executive Committee and the following actions may be taken:

- Communication, by phone, email/letter to the Executive Director or to the Board Chair of the community partner, to advise them of the noncompliance and request what action will be taken to rectify it, if any.
- Depending on the nature of the noncompliance, the Board may determine funding will be stopped altogether or until it is satisfied with the actions taken to rectify the noncompliance.
- If not rectified within a reasonable timeframe and to the satisfaction of the Board, a letter will be sent as notice of termination of the Community Partnership Agreement and funding will be discontinued.
- Depending on the nature of noncompliance, United Way may determine that the funding already disbursed pursuant to the Community Partnership Agreement must be repaid to NUW.

All actions are at the discretion of the Board.

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APPENDIX A : OFFENCE DECLARATION FORM

**I DECLARE**, since the last Criminal Records Check provided to Northumberland United Way (NUW), or since the last Offence Declaration Form submitted to NUW, that:

- I have **no** convictions under the Criminal Code of Canada up to and including the date of this declaration for which a pardon has not been issued or granted under the Criminal Records Act (Canada).
- I have **no** pardons related to sexually based offences up to and including the date of this declaration under the Criminal Records Act (Canada).
- I have **no** charges pending under the Criminal Code of Canada up to and including the date of this declaration.
- I have **not** been the subject of any criminal investigation or allegation, any child welfare investigation or allegation, nor have I had any charges brought against me, even if the charges are pending.
- My driver's license has **not** been suspended or restricted for any reason.

Please check the appropriate line:

- There have been no occurrences as described above since my last Criminal Record Check or Offence Declaration Form.

or

- All reportable matters as described above were discussed with the C.E.O./Executive Director and Board President at the time of the occurrence(s).

I hereby attest that the information disclosed herein is true, complete and accurate to the best of my knowledge and belief. I understand that failure to complete an accurate and truthful Offence Declaration will lead to a review of my continued service with NUW.

Date: \_\_\_\_\_

Name (Please print): \_\_\_\_\_

Signature: \_\_\_\_\_

Witness: \_\_\_\_\_

# Northumberland United Way Policies & Procedures Manual

## APPENDIX B: BOARD POSITIONS DESCRIPTIONS

### PRESIDENT, BOARD OF DIRECTORS POSITION DESCRIPTION

As a Board member in the President role, you provide leadership to the Board and direction to the CEO/Executive Director to accomplish the mission of Northumberland United Way. In addition to the roles and responsibilities outlined in the Member-at-Large, Board of Directors, the President of the Board also has additional responsibilities as outlined below.

#### Authority:

- The President represents the Board publicly and implements the Board's direction and mandate.
- As a member of the Executive Committee, the President has signing authority for the organization and together with the Executive Committee, is empowered to transact business during the interval between meetings of the Board of Directors in matters of administrative urgency.

#### Responsibility:

- Act as a partner to the CEO/Executive Director and other members of the Board;
- Provide leadership to the Board and the CEO/Executive Director;
- Protect the integrity of the Board process ensuring the Board behaves in a manner consistent with its own rules and all statutory regulations;
- Maintain a relationship with the national movement by attending meetings, national conference and act as the voting member representing NUW;
- Mentor the Vice-Chair

#### Term:

- This is a two-year term.

#### General Duties:

- Serve as spokesperson for the organization, inspire confidence and promote its services;
- Chair regular and special meetings of the Board and the Executive Committee;
- Ensure the Board operates in a manner consistent with NUW's bylaws;
- Ensure Board members are aware of their fiduciary duties and responsibilities as Directors;
- Prepare the Chair's Report for the United Way Annual Report;
- Work with the CEO/Executive Director in the preparation of the Board agenda;
- Represent Northumberland United Way at community events, organizations, and with individuals;
- Lead the annual evaluation of the CEO/Executive Director;
- Assist in monitoring the activities of the organization including: reviewing reports of committees; confirming, modifying or rejecting proposals;

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- Assist leadership in identifying key persons in the community who should be recruited to assist the organization; and
- Promotes the development of selected volunteers to assume future key leadership roles in the organization.

With the Board, or Board approved committees:

- Approve the appointment of the CEO/Executive Director;
- Approve policies which govern the administration of personnel;
- Approve and monitor the corporate finances of the organization, focusing on the goal of meeting the objectives of the organization;
- Authorize and approve the annual audit;
- Coordinate the evaluation of the Board and Board members.

Qualifications and Skills:

- Commitment to Northumberland United Way's mission, vision, and values;
- Experience chairing meetings;
- Strong leadership skills;
- Excellent written and oral communication skills;
- Strong understanding of governance.

Requirements:

- Shall have demonstrated commitment to NUW goals and objectives;
- Shall have supported the organization both in representing the organization in the community and in contributing financially and of one's time;
- Shall have had chief volunteer responsibility in one or more major functions of the organization.

Time

- Approx. 1 hour pre-Board meeting planning with the CEO/Executive Director;
- Approx 1 hour post-Board meeting follow up with the CEO/Executive Director;
- As a member of the Executive Committee, the President is required to call, schedule and attend meetings for matters of administrative urgency between Board meetings;
- Cheque signing as needed;
- Attend community and fundraising events as needed (2 hours per month) including the AGM, campaign launch, and campaign achievement;
- May be required to attend additional functions of the Board as required such as strategic planning, budget setting, etc.;
- As President, ex-officio member of all committees.

Limitations

The President/Chair of the Board speaks publicly on behalf of the organization, unless the Board Chair appoints the Vice-Chair or Past-Chair as spokesperson; Board members must always act as good ambassadors for the organization, but refer to the Chair to fairly represent all formal positions of the Board

## **Northumberland United Way Policies & Procedures Manual**

All Board members must learn and abide by the hierarchy of the organization. In summary, Board members address the Board Chair with questions, concerns, issues, and the Board Chair will then interface, when necessary, with the CEO/Executive Director or other Board members. At no time, should Board members be individually directing staff.

# Northumberland United Way Policies & Procedures Manual

## MEMBER-AT-LARGE BOARD OF DIRECTORS POSITION

As a Board member, you will play a crucial role in governing the organization and in the activities of the Board. A primary responsibility of all Directors is its fiduciary responsibility to operate in the best interest of Northumberland United Way at all times.

### Authority:

- The Board of Directors is responsible to ensure dealings are open, fair, easily understood, and consistent with agreed-upon policies and procedures.
- The Board of Directors is accountable to the donor and the general public for activities of the organization.

### Responsibility:

- The Board is solely responsible for determining the Corporation's policies, financial budgets, and strategic directions;
- The Board will ensure that all policies, procedures, and manuals are reviewed periodically, as required;
- Ensure legal and ethical integrity;
- All Directors are expected to behave in a professional, respectful manner;
- Contact the office in advance if unable to attend a particular meeting;
- Identify and mitigate financial risk, as well as reputational risk;
- Be administratively responsible for all activities of the organization;
- Directors are expected to know and understand Robert's Rules of Order;
- Personally contribute to Northumberland United Way in the form of time, effort, and financial support in advance of the campaign launch, to the best of their ability;
- Be aware of and abstain from conflict of interest.

### Term:

- This is a two-year term with a maximum of 3 consecutive 2-year terms

### General Duties:

- Attend and prepare in advance for all Board and committee meetings by reviewing all necessary materials;
- Actively participate in all required meetings;
- Become involved in at least one Board Standing Committee;
- Act as an ambassador for Northumberland United Way at community events, organizations, and with individuals;
- Ensure the Board operates in a manner consistent with the Bylaws;
- Approve and maintain a working knowledge of the policies and procedures which govern the organization;
- Contribute to the evaluation of the CEO/Executive Director.



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### **Evaluation:**

- The Board will be evaluated annually as a whole.
- Individual Board members will be evaluated annually.

### **Qualifications and Skills:**

- Commitment to Northumberland United Way's mission, vision, and values;
- Must meet legislative requirements for being a Board member;
- Must have specific experience, knowledge, and or interest in one or more areas of the skills matrix established by the organization;
- Must reside or work in Northumberland County.

### **Time Requirements:**

- The time commitment per month is approximately 4-6 hours (2-3 hours Board meeting 10 times per year);
- Participate in a minimum of one committee of the Board with monthly meetings;
- Attend community and fundraising events as needed (2 hours per month) including the AGM, campaign launch, and campaign achievement;
- May be required to attend additional functions of the Board as required such as strategic planning, budget setting, etc.

### **Limitations**

All members must learn and abide by the organization's Conflict of Interest, Bylaws and Confidentiality Policies.

ONLY the Chair of the Board speaks publicly on behalf of the organization, unless the Board Chair appoints the Vice-Chair. Board members must always act as good ambassadors for the organization, but refer to the Chair to fairly represent all formal positions of the Board.

All Board members must learn and abide by the hierarchy of the organization. In summary, Board members address the Board Chair with questions, concerns, issues, and the Board Chair will then interface, when necessary, with the CEO/Executive Director or other Board members. At no time, should Board members be individually directing staff.

# Northumberland United Way Policies & Procedures Manual

## EXPANDED RESPONSIBILITIES OF AN NUW BOARD MEMBER

Northumberland United Way (NUW) has an engaged Board of Directors that are integral to leading our organization. As a new or prospective NUW Board member you might ask:

- What should I expect if/when I join the NUW Board?
- What is different from being on other Boards?

Below is some additional information specific to the NUW Board.

### **1. Attend Board of Directors meetings**

Board members are asked not only to attend Board meetings, but to be engaged at Board meetings and beyond. Board meeting documents are sent to Board members the week prior to the meeting to ensure that members' have time to adequately review the materials and consider discussion. Attending means being ready. Engaged Board members read the pre-reading material and are prepared to participate in a generative conversation: Making "sense" before making decisions. For example:

- Instead of choosing among alternatives, you would generate alternatives.
- Instead of making decisions, you would decide what to decide.
- Instead of pursuing consensus, you would pursue perspectives.
- Instead of meeting efficiently, you would discuss robustly.

NUW is proud to have a diverse Board with many areas of expertise. While we primarily operate as a policy-style governance Board, we want to leverage your skills and expertise to benefit day-to-day operations. As such, staff views Board members as a resource who can provide relevant input in their area of expertise for current activities (i.e. an HR professional supporting staff during staffing challenges, etc.) upon request. When Board members are asked for assistance on operational issues, they "take off their governance hat" and become an advisory to staff.

### **2. Become involved in at least one Board Standing Committee**

Board members are required to sit as the Board representative on at least one Board Standing Committee (i.e. Governance, Finance and Audit, Community Impact, Resource Development). This helps the Board do its work while giving the Board member a more well-rounded knowledge of NUW in a specific area.

### **3. Contact the office in advance if unable to attend a particular meeting**

NUW must ensure quorum for meetings and therefore advance knowledge of member attendance is important. Also, if NUW orders refreshments, prints materials, or opens up a conference line, it creates an expense for the organization. If a Board member provides last-minute regrets or is absent for a meeting, there may be resources wasted.

### **4. Be a representative of NUW at public events and agency functions**

Board members are ambassadors and advocates for NUW that can enhance NUW's public standing. Board members are invited to NUW events to show their support. Additionally, when

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staff is unavailable, Board members may be asked to attend an event as the designated representative (i.e. at an Awards banquet, at a Community Partner meeting, etc.)

### **5. Make an early financial commitment to the Campaign**

NUW is proud to have a long-standing history of having 100% (or close to it) participation from its Board, volunteers, and staff in giving to the campaign. This provides NUW with a very positive message to the community that staff and volunteers support NUW in many ways. Making an early contribution also helps to kick-start the campaign! NUW respects that everyone has a different ability to give and simply asks that Board members provide a thoughtful contribution within their financial means.

### **6. Support Revenue Generation**

Not only is it the Board's job to approve a balanced budget, but it is ultimately responsible for revenue generation. In NUW's case, this means actively helping to open doors to new opportunities (workplace campaigns, new donors).

### **7. Represent NUW at UW conferences and workshops**

United Way Centraide Canada (UWCC) require locals to have a representative from local UW Boards attend and vote at their annual conferences and workshops. These events are also an opportunity for Board members to network, have professional development opportunities, and to provide a local voice to the UWCC table.

### **8. Sign the Annual Affirmation Statement (Sup 1)**

Board members are required to annually sign the affirmation statement. This serves as a reminder for Board members to be aware of and act in accordance with NUW's policies.

### **9. Protect Assets and Provide Financial Oversight**

This includes:

- Reviewing and approving the budget;
- Establishing policies that balance short and long-term needs;
- Verifying that financial procedures meet legal requirements and stakeholder expectations;
- Ensuring the organization has adequate reserves;
- Ensuring the organization is not subjected to unnecessary risk;
- Having adequate liability insurance;
- Having in place controls to avoid fraudulent activity.

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In addition to providing fiduciary oversight, NUW's Board is encouraged to provide fiduciary inquiry. This involves thinking beyond the completed fiduciary task requirement. For example:

- Evaluating what can be learned from an audit once it is complete;
- Determining if the budget reflects NUW priorities once it is balanced;
- Thinking about whether a decision is ethical, beyond it being legal;
- Considering if staff are being treated fairly instead of whether turnover is reasonable/explainable.

### **10. Ensure Legal and Ethical Integrity**

While a decision or action may be 'legal,' it might not be 'ethical,' and vice versa. NUW's culture is to ensure that legal and ethical integrity is always considered.

### **11. Provide Support to and Evaluate Performance of the Chief Executive Officer**

As the 'boss' for the Chief Executive Officer (CEO/Executive Director), the Board is responsible for evaluating performance of the CEO/Executive Director. It is also helpful for the Board members to provide encouragement and recognition of tasks well done to the CEO/Executive Director, when appropriate.

### **12. Ensure Effective Planning**

Effective planning for the Board means considering long-term strategic directions and monitoring results from operational plans. Be mindful of our vision, mission, investment priorities, and existing strategic directions as you approach issues that come to the table. See the Strategic Plan 2018-2020.

### **13. Build a Competent and Engaged Board**

Having a competent and engaged Board means hard work. Board members need to take education opportunities, surveys, and other reflection exercises seriously to continually evaluate performance. Board members are also invited to actively consider recruiting others as vacancies open (based on the skills/abilities needed from our Board member profile work). While this activity is led by the Nominations Committee, every Board member is invited to assist.

# Northumberland United Way Policies & Procedures Manual

## APPENDIX C: SKILLS MATRIX

Board Member Name: \_\_\_\_\_

Board Tenure:

	Less than 1 year
	1-2 years
	3-4 years
	More than 5 years

Competencies: Willingness to act, inspire and mobilize.

Leadership

	Strategic Thinker
	Connects Leaders to Leaders
	Advocate for Community
	Future Focused
	Steward of Brand and Trust

Core

	Mission Focused
	Relationship Oriented
	Collaborator
	Results Driven
	Brand Steward

Influence: Willingness to connect capital to the organization.

	Access to Resources and Assets
	Access to Legislators
	Access to Community Leaders
	Access to National Influencers
	Access to Content Experts
	Other:

## Northumberland United Way Policies & Procedures Manual

Skills and Experience: Willingness to contribute skills and knowledge.

### Experience

	Business Operations: Human Resources
	Business Operations: IT
	Business Operations: Legal
	Business Operations: Finance
	Governance
	Strategic Planning
	Marketing/Communication
	Fundraising
	Community Engagement
	Policy
	Government
	Entrepreneurship

### Sector

	Faith Based
	Community
	Government
	Political
	Corporate
	Nonprofit

Demographics: Reflection of the community.

### Geographic

	Township of Alnwick/Haldimand
	Municipality of Brighton
	Town of Cobourg
	Township of Cramahe
	Township of Hamilton
	Municipality of Port Hope
	Municipality of Trent Hills

### Gender/Age

	Female
	Male
	18-35
	35-50
	51-65
	Over 65

# Northumberland United Way Policies & Procedures Manual

## APPENDIX D: NEW BOARD MEMBER ORIENTATION

1. Welcome & Introductions
2. United Way Canada Structure
  - a. National/Regional
  - b. United Way Centraide Canada Strategic Directors (UWCC)
  - c. Membership Agreement
  - d. Transparency, Accountability and Financial Reporting (TAFR)
3. Northumberland United Way
  - a. Overview
  - b. Programs and Partnerships
  - c. Campaign
  - d. Allocations
  - e. Designations
  - f. Financial Statements
4. Journey to Community Impact
  - a. Journey
  - b. Investment Strategies
  - c. Impact
5. Governance
  - a. Policies and Procedures
  - b. Accountability and Transparency
  - c. Strategic Plan
6. High Performing Boards
  - a. Roles, responsibilities and expectations
7. Questions
8. Facilities Tour
  - a. Parking

# Northumberland United Way Policies & Procedures Manual

## APPENDIX E: BOARD ASSESSMENT

1. **BOARD RESPONSIBILITIES:** The Board is ultimately responsible for Strategic Planning, community relations, financial operations, organizational effectiveness, and human resources for the organization.

What is the Board doing well and what improvements could be made in any of these areas of responsibility?

2. **BOARD RELATIONSHIP WITH C.E.O./Executive Director:** The Board is responsible for recruitment and ongoing evaluation of the C.E.O./Executive Director as well as clear communication and delineation of roles between the Board (governance) and the C.E.O./Executive Director (operations).

Is the Board fulfilling this responsibility and what improvements could be made in this area of responsibility?

3. **ROLE OF BOARD MEMBERS:** Board members have a responsibility to attend Board and committee meetings, read material in advance, participate in discussion, challenge differing opinions respectfully, and ultimately, to support all decisions of the Board.

Are Board members fulfilling their role and what improvement could be made in this area of responsibility?

4. **CONDUCT OF BOARD AND COMMITTEE MEETINGS:** Meetings should be well-planned with material distributed in advance and an agenda that allows the Board to deal with all necessary Board business in a reasonable amount of time. The Board Chair is responsible to facilitate and focus discussion and ensure individual Board members are heard while managing the agenda in a timely manner.

Are Board and committee meetings conducted well, and what improvements could be made in this area?

5. When you consider the **OVERALL FUNCTIONING** of the Board and its members:

What should the Board or Board members **STOP** doing?

What should the Board or Board members **START** doing?

What should the Board or Board members **CONTINUE** doing?

6. Other Comments:



# Northumberland United Way Policies & Procedures Manual

## APPENDIX F: TERMS OF REFERENCE

### TERMS OF REFERENCE - BOARD OF DIRECTORS

#### **Purpose**

Per the By-Laws, the Board of Directors manages the affairs of the corporation: Northumberland United Way (NUW). In addition, the NUW Board of Directors and its individual members provide support in the delivery of its mission, "To create a better life for everyone in Northumberland County through leadership and partnerships that mobilize community resources."

#### **Responsibilities of the Board of Directors**

- Develop the Strategic Plan and support its implementation;
- Approve the distribution of funds in keeping with the mission, the focus areas and the Strategic Plan;
- Develop and maintain a Risk Management plan;
- Select and provide orientation for new Directors (shared with C.E.O.);
- Approve policies and procedures;
- Approve insurance coverage and premiums;
- Approve the annual operating budget and campaign target;
- Approve annual audit and ensure that effective steps are taken to overcome any internal control weaknesses;
- Approve the Terms of Reference for the Board and all standing committees, annually;
- Approve UWCCC annual membership checklist;
- Approve the hiring of the C.E.O.;
- Develop and maintain the position description, compensation plan and succession plan for the C.E.O.;
- Routinely monitor Board policies and procedures to ensure best practices.

#### **Duties of Members**

- Attend and participate in regularly scheduled meetings;
- Be prepared for meetings and be well informed about developments relevant to issues that may come up before the Board;
- Participate in 1-2 standing and ad hoc committees;
- Support the NUW Mission;
- Support the achievement of the annual fundraising goal.
- All members must have an up-to-date Police Check in accordance with NUW policy stated in the Volunteer Manual.

## **Northumberland United Way Policies & Procedures Manual**

### Duties of the Chairperson shall:

- Be a member of the Board of NUW (Normally, the Board President or Vice-President);
- Chair all meetings of the Board or in his/her absence appoint a replacement from the Executive Committee;
- Report to the Board on activities of the Executive Committee;
- Preside over the meetings, facilitating the involvement of all Board members.

### Staff Support

The C.E.O. of NUW attends all meetings and:

- Reports to the Board on the activities of his/herself and the staff;
- Provides information and responds to questions from Board members as required;
- Prepares agenda with Chair.

The Director of Finance attends all meetings and records the minutes.

### Membership

- Director recruitment is through application to and/or recruitment by the NUW office. The Nominations Committee submits a recommendation for the new slate of Directors to the Board for approval. This process normally begins in January and ends at the Annual General Meeting in June where the membership at large approves the slate of Directors for the next year.
- The Board is comprised of a minimum of 13 members.
- Board members are selected for the skills and experience required for the Board to fulfil its responsibilities.
- The Board may recruit a Student representative to attend Board meetings and to fully participate in meetings but not have a vote. (see By-Laws)

### Terms of Office

Refer to By-Laws 20, 21 and 24.

### Subcommittees

Standing committees of the Board include: Executive; Governance; Finance, Audit & IT; Community Impact; Nominations, and Resource Development. Ad hoc committees include Business Continuity, Strategic Planning, and Human Resources.

### Regular Meetings and Notice

Meetings shall be held monthly with the possible exception of December. Meeting agendas and meeting materials are normally distributed several days ahead of each Board meeting.

# Northumberland United Way Policies & Procedures Manual

## Governance

### Decision Making and Dispute Resolution

- Decisions are made through motions and voted upon by the Board members; the Chair will vote only to break a tie.
- Decisions can be made in meetings or under special circumstances as decided by the Chair through email correspondence or telephone.
- There are no proxy votes.

### Quorum

In order to make any decisions, the committee must have a minimum one half plus one in attendance and able to vote.

### Conflict of Interest, Confidentiality of Meetings, and Code of Conduct Policies

Refer to NUW Policies and Procedures manual.

### Amendments to the Terms of Reference

The Board shall review the Terms of Reference annually in May. Any of the terms may be amended by agreement of the majority of the NUW Board membership.

# Northumberland United Way Policies & Procedures Manual

## TERMS OF REFERENCE - COMMUNITY IMPACT COMMITTEE

### PURPOSE

In compliance with NUW's defined focus areas and investment strategies, the role of the Community Impact Committee (CIC) is to review, evaluate funding application requests, and make funding recommendations to the Board.

### ROLE OF THE COMMITTEE

It is the responsibility of the committee to:

- Identify and use approved procedures for assessing and evaluating all funding requests, including the Community Review Process;
- Make recommendations to the Board on funding requests for:
- Community Impact Investment Fund: Annualized funding for community partnerships that utilize a Community Review Process (CRP)<sup>1</sup>
- Community Grants: When funds are available as determined by the Board, for one-time grants to community organizations;
- Discretionary Fund: Special and/or one-time requests that do not meet either of the above two criteria.
- Monitor the impact of all approved funding;
- Routinely monitor committee policies and procedures to ensure best practices;
- Liaise with other committees of the Board, as needed by the committee or by the NUW Board.

### TERM OF OFFICE

All members serve for an initial one-year term which is renewable on the recommendation of the Committee Chair and Board approval. A member's renewal will be based on their commitment, participation, and attendance.

### DUTIES OF THE CHAIRPERSON

- Be a member of the Board of NUW;
- Chair all meetings of the committee; In his/her absence, the CEO or Director of Community Impact may chair the meeting;
- Report to the Board on activities of the CIC or any sub-committee;
- Report to the committee on activities of the Board and other Board committees as relevant to the work of the CIC;
- Schedule meetings and prepare the agenda with staff support;
- Preside over the meetings, facilitating the involvement of all committee members;
- Perform other related duties as determined by the committee and Board.

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## STAFF SUPPORT

- Director of Community Impact and CEO attend all meetings;
- Report to the committee on relevant community initiatives;
- Provide information and respond to questions from committee members as required;
- Provide updates and reports on funded community partners.

## MEMBERSHIP

- The member selection process will be through recruitment by the NUW office at the time of Board renewal. New members may be presented to the committee throughout the year if volunteer applications are received at the NUW office.
- The committee may fill any vacant committee member positions on an informal basis until the term of office of the vacated member has expired.
- Members will understand and agree with the mission of the organization.
- Members will be selected for representing Northumberland County and the skills and experience needed to meet the requirements as outlined in the committee's Terms of Reference.
- The committee will establish subcommittees and working groups as required for specific tasks or purposes, to conduct its work effectively;
- Members may be recruited to its subcommittees and working groups, with the approval of the committee Chair.
- Members will liaise with other committees as decided by the CIC or by another committee or by the NUW Board.
- All members must provide a current Police Check upon joining the committee and sign an Offence Declaration Form annually thereafter.

## MEMBERSHIP – DESIRABLE SKILLS

- Knowledge of health and/or social services sector in Northumberland County;
- Understanding of community collaborations and partnerships;
- Knowledge of funding landscape in Northumberland County;
- Fundraising knowledge;
- Interest in supporting health and social services in Northumberland County.

## COMMUNICATION

Communication to take place at least monthly via email; face-to-face or telephone, depending on situation and circumstance through the Chair, CEO or Director of Community Impact.

## **Northumberland United Way Policies & Procedures Manual**

### **REGULAR MEETINGS AND NOTICE**

The committee will have a minimum of 10 meetings per year.

Meetings shall be held on a regular basis depending on the consensus of the committee. The staff will give notice of the meeting to committee members, and will advise if the meeting is to be held at another time or day or at a place other than the regular committee meeting place.

### **GOVERNANCE**

Decision Making and Dispute Resolution

- Decisions are made through motions and voted upon by the committee members; the Chair will vote in the case of a tie.
- There are no proxy votes.

### **QUORUM**

More than 50% of the members.

### **AMENDMENTS TO THE TERMS OF REFERENCE**

The committee shall review the Terms of Reference annually. Any changes are subject to approval by the NUW Board.

# Northumberland United Way Policies & Procedures Manual

## TERMS OF REFERENCE - EXECUTIVE COMMITTEE

### Purpose

The Executive Committee exercises the power of the Board in emergency situations and acts as a liaison between the C.E.O./Executive Director and the Board.

### Roles of the Committee

The Executive Committee role is to:

- Exercise the full power of the Board in administrative emergencies and report at the next meeting of the Board;
- Advise the CEO/Executive Director in all areas of operations;
- Recruit the CEO/Executive Director of the organization when required, subject to approval by the Board;
- Complete Annual Performance Reviews of the CEO/Executive Director;
- Review with the external auditors and the Finance & Audit Committee, or as a result of the audit recommendations, any internal control weakness identified and determine whether effective steps have been taken to overcome the issue;
- Review the appropriateness and manage the organization's Risk Register as required, and report updates to the Board of Directors;

### Duties of Members

- Attend and participate in regularly scheduled meetings;
- Be prepared for meetings and be well informed about developments relevant to issues that may come up before the committee.

### Duties of the Chairperson (The Board President)

- Chair all meetings of the committee or in his/her absence delegate the chair to the Vice-President or Past-President;
- Report to the Board on activities of the Executive Committee;
- Lead the review of the Risk Register at Board Meetings;
- Schedule meetings and prepare the agenda with the CEO/Executive Director.
- Form the Nominations Committee, along with 1-2 members of the Board of Directors, to recruit and identify Directors and Officers.

### Staff Support

The CEO/Executive Director of NUW attends all meetings and:

- Reports to the committee on activities of staff that are relevant to the committee;
- Provides Human Resources updates and assistance to the committee;
- Provides information and responds to questions from committee members as required;
- Prepares agenda with Chair of the committee;
- Records the meeting minutes.

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## Membership

The current Board President, Vice-President, Treasurer, Secretary and the Past-President form the Executive Committee

## Terms of Office

One year or until the respective successor is appointed or elected.

## Regular Meetings and Notice

- Meetings shall be held on a regular basis depending on the consensus of the committee.
- The CEO/Executive Director will give notice of the meeting to committee members. If the meeting is to be held at another time or day, or at a place other than the regular committee meeting place, the CEO/Executive Director will so inform the committee members.

## Communication

- Communication to take place at least monthly via email; face-to-face or telephone, depending on situation and circumstance by the Chair or the CEO/Executive Director.
- Any and all decisions made in meetings or through email or telephone by all members will be formally documented by the CEO/Executive Director, and reported to the Board.

## Governance

### Decision Making and Dispute Resolution

- Decisions are made through motions and voted upon by the committee members; the Chair will vote only to break a tie.
- There are no proxy votes.

### Quorum

More than 50% of the members.

### Amendments to the Terms of Reference

The committee shall review the Terms of Reference annually. Any changes are subject to approval by the NUW Board.



# Northumberland United Way Policies & Procedures Manual

## TERMS OF REFERENCE – FINANCE, AUDIT & IT COMMITTEE

### Purpose

The purpose of the Finance, Audit & IT Committee is to:

- review the adequacy and effectiveness of:
  - The presentation and integrity of NUW's financial statements, including applicable accounting and financial reporting principles and policies;
  - Processes and structures for managing risk, including internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations;
- Provide financial expertise in the development of and monitor the effectiveness of the annual budget;
- Oversee the qualifications, independence and performance of the external auditors;
- Monitor financial performance against plans; and
- Recommend appropriate action to the Board.

In **compliance** with NUW's *Strategic Plan and Action Plan* and **consistent** with United Way-Canada's *Standards of Excellence* and TAFR (Transparency & Accountability in Financial Reporting, the Finance & Audit Committee endeavours to:

- Approve and monitor operating budgets to ensure that resources are in line with the Strategic Plan;
- Monitor financial performance of NUW;
- Review the yearly activities of the organization for efficiency, effectiveness, and appropriate financial controls;
- Understand the risks in order to apply risk management strategies and controls in a balanced manner;
- Realize the financial benefits to NUW of fully integrated Risk Management.

### Roles of the Committee

#### Financial Reporting:

- Ensure the financial matters and reporting of the organization are conducted in accordance with applicable provincial statutes and appropriate regulatory authorities;
- Routinely monitor Finance & Audit Committee's policies and procedures to ensure best practices;
- Review the monthly financial statements and:
  - a. Approve the draft statements for presentation to the Board;
  - b. Monitor key financial indicators, the financial forecast, and analysis of financial information including comparisons to budget;
  - c. Ensure compliance with UWC TAFR requirements;
- Review the annual financial statements and:
  - a. Approve the draft statements for presentation to the Board;
  - b. Recommend the audited statements for approval by the Board;

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- c. Review significant accounting principles, disclosure issues, changes to accounting principles, including complex or unusual transactions;

### Audit Activities:

- Recommend to the Board the appointment or re-appointment of external auditors and the annual audit fee, for approval;
- Review the overall scope of the external audit, auditor independence, and areas of identified risk;
- Review audit findings and their disposition by management, including the auditor's annual Engagement Letter;

### Risk Management and Control:

- Ensure through periodic review and understanding of the risks of fraud and error that the internal policies, practices, and procedures pertaining to financial matters and risk are adequate for the safeguarding of NUW's assets, and for regular reporting of its financial position and performance;
- Review with the external auditors, or as a result of the audit recommendations, any internal control weakness identified and determine whether effective steps have been taken to overcome the issue;
- Understand and regularly assess the potential reputational risk faced by NUW and develop a plan to monitor and address any changes therein;
- Review any budgetary changes;
- Review any material litigation and its impact on finance.

### Financial Policies:

- Ensure that NUW calls for tenders for the financial institution at least once every five years, as required in the Policies & Procedures Manual FIN01;
- Monitor the investments of NUW to ensure they are meeting or exceeding the requirements of the Investment Policy FIN02;
- Review NUW's financial risk management controls, policies, and compliance therewith;
- Develop finance-related policies, and at least annually review the Financial Policies of the NUW in regards to the following:
  - a. Financial Institutions and Audit Services;
  - b. Investments/Endowment Portfolio;
  - c. Signing Authority for Cheques, Contracts and Documents;
  - d. Signing Authority for Tax Receipts;
  - e. Cheque Fraud Policy;
  - f. Purchases;
  - g. Financial Reporting;
  - h. Annual Budget;
  - i. Reserve Funds;
  - j. Stock Transfers;
  - k. Anti-Terrorism/Money Launderingand recommend changes and revisions if necessary;

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## Terms of Office

All members serve for an initial one-year term which is renewable on the recommendation of the Committee Chair and Board approval. A member's renewal will be based on their commitment, participation and attendance.

## Duties of the Chairperson

The Chairperson shall:

- Be Treasurer of the Board of Directors of NUW;
- Chair all meetings of the committee or in their absence, appoint a replacement;
- Report to the Board on activities of the Finance & Audit Committee.

## Staff Support

The Chief Executive Officer and Director of Finance of NUW attend all meetings.

The Director of Finance will:

- Prepare the agenda;
- Develop the Draft Budget with the assistance of the C.E.O./Executive Director;
- Prepare the monthly financial statements, provide information and respond to questions from the committee members;
- Assist the Chair of the committee and C.E.O./Executive Director with other financial duties that arise from the committee as required.

## Membership

- The member selection process will be through application to and/or recruitment by the NUW office at the time of Board renewal. Throughout the year when volunteer applications arrive in the NUW office and depending on the existing number of committee members, new members may be presented to the committee for approval.
- The committee shall consist of at least five members, including ex-officio members, with at least two of the members elected members of the Board.
- Members will be selected for skills and experience to meet the requirements as referred to in the committee's Terms of Reference. Members must be independent and financially literate.
- The Board Chair is an ex-officio member of the committee.
- All members will provide a Police Records Check upon joining the committee and sign an Offense Declaration Form annually thereafter.

## Regular Meetings and Notice

- Meetings will be held on a regular monthly basis, depending on the consensus of the committee.
- The Director of Finance will give notice of the meeting to the committee members.

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## Minutes of Meetings

The committee shall maintain minutes or other records of meetings and activities of the committee in sufficient detail to convey the substance of all discussions held. The minutes shall be circulated to the Board of Directors.

## Reporting

The committee shall report to the Board through the Chair of the committee, at each meeting with respect to the financial statements and activities.

## Governance

### Decision Making and Dispute Resolution

- Decisions are made through motions and voted upon by the committee members; the Chair will vote only to break a tie.
- Decisions can be made in meetings or under special circumstances as decided by the Chair through email correspondence or telephone.
- There are no proxy votes.

## Quorum

More than 50% of the members.

## Amendments to the Terms of Reference

The committee shall review the Terms of Reference. Any changes are subject to approval by the NUW Board.

# Northumberland United Way Policies & Procedures Manual

## TERMS OF REFERENCE - GOVERNANCE COMMITTEE

### Purpose

**A standing committee of the Board**, the purpose of the Governance Committee is to assist the NUW Board of Directors in the practice of good governance and to ensure that the Board fulfills its legal, ethical, and functional responsibilities.

### Roles of the Committee

- Develop policy statements on issues of governance and recommend to the Board for approval;
- Review the Board policies, processes, and structures on a regular basis and make recommendations to the Board for changes when necessary;
- Review and approve the Terms of Reference of the Board committees (but not policies of those committees) on a regular basis and make recommendations to the Board;
- Periodically review the corporate by-laws and make recommendations to the Board;
- Plan Board education, including new member orientation;
- Plan for the periodic evaluation of the full Board, each Director, each non-Board committee member, the Board Chair, and the C.E.O./Executive Director
- Consider the skills, expertise, qualities, and diversity of current Board members to determine Board needs for succession planning purposes.

### The Duties of the Chairperson

- Chair all meetings of the committee or in his/her absence, appoint a replacement;
- Report to the Board on the activities and recommendations of the Governance Committee;
- Schedule meetings and prepare the agenda;
- Preside over the meetings, facilitating the involvement of all committee members;
- Perform other related duties as determined by the committee and Board.

### Staff Support

- C.E.O./Executive Director and Director of Finance attend all meetings;
- Director of Finance records minutes of each Governance Committee meeting and distributes to committee members, the C.E.O./Executive Director, and Board.
- C.E.O./Executive Director reports to the committee on activities of staff that are relevant to the committee;
- C.E.O./Executive Director provides information and responds to questions from committee members as required;
- C.E.O./Executive Director accepts action items on behalf of the staff.

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## Membership

The committee will include:

- At least three Directors who are selected during the annual Board renewal process.
- A maximum of two non-Board committee members who are appointed pursuant to policy.
- The President and C.E.O./Executive Director are ex-officio members, with full voting privileges but will not count as quorum.

## Terms of Office

Members serve for an initial one-year term which is renewable on the recommendation of the Committee Chair and Board for approval. A member's renewal will be based on their commitment, participation and attendance.

## Governance

### Decision Making and Dispute Resolution

- Decisions are made through resolutions and voted upon by the committee members; the Chair will vote only to break a tie.
- There are no proxy votes.

## Quorum

More than 50% of the members.

## Amendments to the Terms of Reference

The committee shall review the Terms of Reference annually. Any changes are subject to approval by the NUW Board.

# Northumberland United Way Policies & Procedures Manual

## TERMS OF REFERENCE - RESOURCE DEVELOPMENT COMMITTEE

### Purpose

**A standing committee of the Board**, the purpose of the Resource Development Committee (RDC) is to assist the Board of Directors in planning and monitoring the fundraising activities of Northumberland United Way (NUW).

### Roles of the Committee

The Resource Development Committee's role is to:

- Work with NUW staff to develop long term fundraising strategies including, without limitation, Major Gifts, Planned Gifts and Endowment programs;
- Review NUW's annual fundraising plan and goals, and recommend to the Board for its approval; and
- Develop and regularly review, for Board approval, policy statements relating to fundraising and donors.

### Duties of the Chairperson:

- Be a member of the Board of NUW;
- Chair all meetings of the committee or in their absence appoint a replacement;
- Report to the Board on activities and recommendations of the RDC;
- Schedule meetings and prepare the agenda with the Director, Resource Development or CEO/Executive Director;
- Preside over the meetings, facilitating the involvement of all committee members;
- Perform other related duties as determined by the RDC and Board.

### Membership

The Resource Development Committee will include:

- At least 4 Directors who are selected during the annual Board renewal process;
- A maximum of 2 non-Board committee members; and
- The President and CEO/Executive Director are ex-officio members with full voting privileges but will not count as quorum.

### Terms of Office

Members serve for an initial one-year term, which is renewable on the recommendation of the Committee Chair and approval of the Board.

### Staff Support

CEO/Executive Director and Director, Resource Development of NUW attends all meetings and:

- Report to the Committee on activities of staff that are relevant to the committee;
- Provide information and responds to questions from committee members as required;
- Provide Database Management (donor stats) and analysis for committee purposes;

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- Prepare agenda with Chair of the committee; and
- Record minutes of each RDC meeting.

### Governance

#### Decision Making

- Decisions are made through motions and voted upon by the committee members; the Chair will vote only to break a tie.
- Decisions can be made in meetings or under special circumstances as decided by the Chair through email correspondence or telephone.
- There are no proxy votes.

#### Quorum

More than 50% of the members.

#### Amendments to the Terms of Reference

The RDC shall review the Terms of Reference annually. Any of the terms may be amended, subject to approval of the Governance Committee and the Board.



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## TERMS OF REFERENCE – NOMINATIONS COMMITTEE

### Purpose

A committee of the Board, the purpose of the Nominations Committee is to identify and recommend to the NUW Board of Directors qualified prospective Directors.

### Role of the Committee

The role of the Nominations Committee is to:

- Appoint the Executive Committee members;
- Recommend, for Board approval, criteria for recruitment of Directors that will best serve the current and future needs of the Board and the community;
- Solicit, interview and evaluate prospective Directors against approved criteria;
- Obtain from each candidate a written consent to the nomination;
- Recommend a slate of candidates to be elected (appointed) to vacant Director positions;
- Ensure that proper orientation is provided to new Board members;
- Recommend individuals to be appointed to the Board to fill vacancies that occur during the year.

### Membership

- The committee will consist of either the President or Vice-President of the Board of Directors, and at least two Directors, with a minimum of one who is not a member of the Executive Committee.

The CEO/Executive Director participates in the Nominations Committee meetings to provide information, assistance, and advice, and administrative support to the committee.

### Terms of Office of the Chair

The Chair is to be the President or Vice-President of the Board.

### Meetings

The Nominations Committee shall meet as necessary. Meetings may be held in person or by telephone.

### Decision Making and Dispute Resolution

- Decisions are made through resolutions and voted upon by the committee members; the Chair will vote only to break a tie.
- There are no proxy votes.

### Quorum

- More than 50% of the members.

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For more information on Northumberland United Way, the duties and responsibilities of Directors and the process of appointment to the Board of Directors, please refer to the Board of Directors, Candidate's Guide.

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## TERMS OF REFERENCE – HUMAN RESOURCES COMMITTEE

### Purpose

An committee of the Board, the purpose is to assist the Board in fulfilling its responsibilities with respect to the human resources required to achieve organizational objectives.

### Roles of the Committee

- Review and make recommendations for updates to the Human Resources Policies and Procedures;
- Provide consultation and advice on Human Resources matters.

### Duties of the Chairperson

- Chair all meetings of the committee or in their absence appoint a replacement;
- Report to the Board on activities and recommendations of the HR Committee;
- Report to the committee on activities of the Board and other Board committees as relevant to the work of the Human Resources Committee;
- Schedule meetings and prepare the agenda with staff;
- Preside over the meetings, facilitating the involvement of all committee members;
- Perform other related duties as determined by the committee and Board.

### Staff Support

- C.E.O./Executive Director and Director of Finance of NUW attend all meetings; :
- Director of Finance records minutes of each Human Resources Committee meeting and distributes to committee members, the C.E.O./Executive Director, and Board;
- C.E.O./Executive Director reports to the committee on activities of staff that are relevant to the committee;
- C.E.O./Executive Director provides information and responds to questions from committee members as required.

### Membership

The committee will include:

- At least two Directors who are selected during the annual Board renewal process.
- A maximum of two non-board committee members who are appointed pursuant to policy.

The President and C.E.O./Executive Director are ex-officio members.

### Terms of Office

Members serve for an initial one-year term which is renewable on the recommendation of the Committee Chair and Board for approval. A member's renewal will be based on their commitment, participation and attendance.

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### Governance

#### Decision Making and Dispute Resolution

- Decisions are made through resolutions and voted upon by the committee members; the Chair will vote only to break a tie.
- There are no proxy votes.

### Quorum

More than 50% of the members.

#### Amendments to the Terms of Reference

The committee shall review the Terms of Reference annually. Any changes are subject to approval by the NUW Board.

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## TERMS OF REFERENCE – RISK & BUSINESS CONTINUITY ADHOC COMMITTEE

### Purpose

An ad hoc committee of the Board, the purpose of the Risk & Business Continuity Committee is to develop a plan for approval and implementation for monitoring risk and business continuity.

### Roles of the Committee

The Risk & Business Continuity Committee's role is to:

- Work with NUW staff to review and develop an actionable Risk Register;
- Develop business continuity strategies;
- Accessibility compliance; and
- Recommend these to the Board for approval.

### Membership

The committee will consist of at least (3) Directors, with a minimum of one Director from the Executive Committee and at least one community member. The CEO/Executive Director participates in the Risk & Business Continuity Committee meetings to provide information, assistance, and advice, and provides administrative support to the committee.

### Terms of Office of the Chair

The Chair is to be a member of the Board.

### Meetings

The Risk & Business Continuity Committee shall meet as necessary. Meetings may be held in person, or by telephone.

### Quorum

In order to make any decisions, the committee must have a minimum one half plus one in attendance and be able to vote.

### Duties

With respect to the Board, the Risk & Business Continuity Committee will:

- Review, update and recommend for Board approval a Risk Register that will best serve the current and future needs of the organization;
- Plan and recommend for Board approval of a business continuity plan.

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APPENDIX G: ENDOWMENT FUND AGREEMENT

**ENDOWMENT FUND AGREEMENT**

**I. ESTABLISHMENT**

The Northumberland United Way Board of Directors (hereinafter “NUW Board of Directors”) has created the NUW Endowment Fund. A gift of any size can be contributed to this fund.

**II. PURPOSE**

The Purpose of this fund is to support the general purposes and programs of Northumberland United Way. If designated for a particular purpose, state purpose here: (possible options:)

*“To establish a fund for ...” (if restricted, so indicate).*

*“To...” (describe particular purpose other than one of the above options).*

All gifts to the NUW Endowment Fund which contain restrictions as to use of the funds or directions to disburse capital after at least ten years, and all endowment agreements require acceptance by the NUW Board of Directors.

**III. DONOR(S)**

State the name(s) of the primary donor(s), his/her/their affiliation with NUW, why the Fund is being established and some brief biographical information about the donor(s). This is the only record that will endure, and it should be sufficient to memorialize the donor(s) and provide information for any future publication about NUW Endowments.

**IV. FUNDING**

This Endowment shall be funded with the following *(include all applicable items)*:

1. A cash gift of \$\_\_\_\_\_.
2. A gift of securities *(or real property)* valued at \$\_\_\_\_\_. *(If the value is unknown the property may be described.)*
3. A gift of the remainder interest in a charitable reminder trust established on *(date)*.
4. Proceeds from registered retirement *(RRSP)* and/or retirement income *(RRIF)* accumulations.
5. A gift of the residual interest in *(description of property)* executed on *(date)*.

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6. A life insurance policy owned by NUW, or assigned to NUW on *(date)*.
7. Any other gifts or bequests that may be designated for this purpose.
8. A pledge payable over 4 years with a minimum contribution of 20% of the total commitment that the donor(s) intend(s) to complete by *(date)* which, when added to the initial gift, total at least \$25,000.

### V. INVESTMENT

NUW places the endowment funds into a professionally managed long-term investment portfolio. All endowment funds, restricted and unrestricted, will be consolidated for investment purposes.

Consistent with current Canada Revenue Agency (CRA) requirements, a *minimum* 3.5% of the value of NUW's {endowment funds} invested assets (after administration fees) will be expended each year for endowment program purposes.

The NUW Board of Directors is responsible for selecting and evaluating the professional fund manager, creating an investment policy specific to the NUW Endowment Fund and for updating this Policy.

*Use one of the following paragraphs to set out the parameters surrounding the holding and investing of contributed property and the distributions from the endowment.*

**Version 1** — To be used when the Fund is intended to be permanent.

“The donor(s) and NUW agree that a gift to NUW pursuant to this agreement, or other property substituted for the gift, shall be held and invested by NUW as a permanent endowment. NUW shall pay each year for the purpose described in Article II, at whatever frequency it chooses, such percent of the fair market value of the balance of the Fund as it shall from time to time decide. Fair market value may be either the value of the Fund's assets on January 1 of the year the distribution is made, or it may be the average value of the Fund's assets over a period of time.”

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**Version 2** — To be used when the Fund is not intended to be permanent.

“The donor(s) and NUW agree that a gift to NUW pursuant to this agreement, or other property substituted for the gift, shall be held and invested by NUW for a period of \_\_\_years. During this period, NUW shall pay each year for the purpose described in Article II, at whatever frequency it chooses, such percent of the fair market value of the balance of the Fund as it shall from time to time decide. Fair market value may be either the value of the Fund’s assets on January 1 of the year the distribution is made, or it may be the average value of the Fund’s assets over a period of time.”

It is agreed that in the administration of the Fund, the income to be disbursed annually shall be determined in accordance with NUW’s policy for endowment funds as amended from time to time. Accordingly, a portion of the net annual income may be accumulated, reinvested, and used at a later date for purposes referred to in this Agreement.

### **VI. ADMINISTRATION**

The NUW Endowment Fund shall be administered and managed by NUW in accordance with NUW’s investment policies as they may be varied from time to time.

The NUW Endowment Fund shall be maintained and accounted for as a separate fund independent of any other funds held by NUW. For investment purposes, NUW may merge and pool individual donors’ endowment gifts to the NUW Endowment Fund and report to these donors with respect to their proportionate share of the Endowment Fund in the merged investment. Further, for investment purposes, the NUW Endowment Fund may be merged and pooled with other NUW funds.

NUW may employ one or more Investment Managers to invest the Fund on its behalf and shall be entitled to delegate its investment powers to such managers and to rely upon the investment advice received by it from such managers notwithstanding any of the provisions in the Trustee Act or any rule of law to the contrary.

NUW shall be permitted to recover reasonable expenses for administering the NUW Endowment Fund not to exceed, in any one year, 1% of the asset value of the fund at the end of the fiscal year.

The accounts of the Fund will be audited annually by NUW’s auditors. Upon request, NUW will provide the donor an annual accounting of the fund performance and any disbursements.

### **VII. AMENDMENT**

This agreement may be amended by the mutual consent of NUW and \_\_\_\_\_ during *(his/her/their)* lifetime(s).



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If changed circumstances should at some future time make it impractical to continue using the income from this endowment for the designated purpose, and the donor(s) either is (are) not living or not able to consent to an amendment, then NUW may re-designate the purpose of the endowment income, provided that the Fund shall continue to bear the name(s) of \_\_\_\_\_ and the amended terms shall adhere as nearly as reasonably possible to donor(s)' original intent for this Fund as determined by the NUW.

.

Donor(s):

\_\_\_\_\_

Witness

\_\_\_\_\_

Date

For NUW:

\_\_\_\_\_  
*(Name and title of person empowered  
to sign for NUW)*

\_\_\_\_\_

Witness

\_\_\_\_\_

Date

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APPENDIX H: NAMED ENDOWMENT FUND AGREEMENT

**ENDOWMENT FUND AGREEMENT**

**I. ESTABLISHMENT**

The Northumberland United Way Board of Directors (hereinafter “NUW Board of Directors”) has created the NUW Endowment Fund. A gift of any size can be contributed to this fund.

**II. PURPOSE**

The Purpose of this fund is to support the general purposes and programs of Northumberland United Way. If designated for a particular purpose, state purpose here: (possible options:)

*“To establish a fund for ...” (if restricted, so indicate).*

*“To...” (describe particular purpose other than one of the above options).*

All gifts to the NUW Endowment Fund which contain restrictions as to use of the funds or directions to disburse capital after at least ten years, and all endowment agreements require acceptance by the NUW Board of Directors.

**III. DONOR(S)**

State the name(s) of the primary donor(s), his/her/their affiliation with NUW, why the Fund is being established and some brief biographical information about the donor(s). This is the only record that will endure, and it should be sufficient to memorialize the donor(s) and provide information for any future publication about NUW Endowments.

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1. A cash gift of \$ \_\_\_\_\_.
2. A gift of securities *(or real property)* valued at \$ \_\_\_\_\_. *(If the value is unknown the property may be described.)*
3. A gift of the remainder interest in a charitable reminder trust established on *(date)*.
4. Proceeds from registered retirement *(RRSP)* and/or retirement income *(RRIF)* accumulations.

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5. A gift of the residual interest in *(description of property)* executed on *(date)*.
6. A life insurance policy owned by NUW, or assigned to NUW on *(date)*.
7. Any other gifts or bequests that may be designated for this purpose.
8. A pledge payable over 4 years with a minimum contribution of 20% of the total commitment that the donor(s) intend(s) to complete by *(date)* which, when added to the initial gift, total at least \$25,000.

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**Version 1** — To be used when the Fund is intended to be permanent.

“The donor(s) and NUW agree that a gift to NUW pursuant to this agreement, or other property substituted for the gift, shall be held and invested by NUW as a permanent endowment. NUW shall pay each year for the purpose described in Article II, at whatever frequency it chooses, such percent of the fair market value of the balance of the Fund as it shall from time to time decide. Fair market value may be either the value of the Fund's assets on January 1 of the year the distribution is made, or it may be the average value of the Fund's assets over a period of time.”

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**Version 2** — To be used when the Fund is not intended to be permanent.

“The donor(s) and NUW agree that a gift to NUW pursuant to this agreement, or other property substituted for the gift, shall be held and invested by NUW for a period of \_\_\_years. During this period, NUW shall pay each year for the purpose described in Article II, at whatever frequency it chooses, such percent of the fair market value of the balance of the Fund as it shall from time to time decide. Fair market value may be either the value of the Fund’s assets on January 1 of the year the distribution is made, or it may be the average value of the Fund’s assets over a period of time.”

It is agreed that in the administration of the Fund, the income to be disbursed annually shall be determined in accordance with NUW’s policy for endowment funds as amended from time to time. Accordingly, a portion of the net annual income may be accumulated, reinvested, and used at a later date for purposes referred to in this Agreement.

### **VI. ADMINISTRATION**

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NUW shall be permitted to recover reasonable expenses for administering the NUW Endowment Fund not to exceed, in any one year, 1% of the asset value of the fund at the end of the fiscal year.

The accounts of the Fund will be audited annually by NUW’s auditors. Upon request, NUW will provide the donor an annual accounting of the fund performance and any disbursements.

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**VII. AMENDMENT**

This agreement may be amended by the mutual consent of NUW and \_\_\_\_\_ during *(his/her/their)* lifetime(s).

If changed circumstances should at some future time make it impractical to continue using the income from this endowment for the designated purpose, and the donor(s) either is (are) not living or not able to consent to an amendment, then NUW may re-designate the purpose of the endowment income, provided that the Fund shall continue to bear the name(s) of \_\_\_\_\_ and the amended terms shall adhere as nearly as reasonably possible to donor(s)' original intent for this Fund as determined by the NUW.

Donor(s):

\_\_\_\_\_

Witness

\_\_\_\_\_

Date

\_\_\_\_\_

For NUW:

\_\_\_\_\_  
*(Name and title of person empowered  
to sign for NUW)*

Witness

\_\_\_\_\_

Date

\_\_\_\_\_