

United Way Investment Strategies Overview

United Way has always had a mission to strengthen communities and improve lives. As we recognize that we are in the IMPACT business, we also recognize that the donor is our customer. A 10-year trend in declining donations indicates that while our work and investment process was once a recognized, powerful investment in the community, today's generation requires a greater impact focus. Our United Way has announced a new direction, investment method and bold goal for our community. This is all summarized in our strategic plan and available for review on our website.

United Way recognizes that a change in our investment model and method can cause concern from our current partners and donors. This short overview, along with the new *Investment Strategies and Partnership Requirements Manual*, was developed to help the public understand the new focus of the United Way. It also shows how others can become partners in our bold goal to move 10,000 families out of financial struggles and into stability.

How United Way Will Invest In Our Community

The investments made by the United Way of the Wabash Valley will all focus on the community's bold goal. What follows is a summary of our investment strategy. In order to fully understand how these investments will be made we encourage you to read the *Investment Strategies and Partnership Requirements Manual* available at www.uwv.org/investment.



Bold Goal

Move 10,000 families out of financial struggles and into stability!

Collective Impact

Achieving success on our community's bold goal will require us to do business differently by shifting to a collective impact model. Collective impact happens when multiple organizations work together to solve a specific issue in a structured form of collaboration.

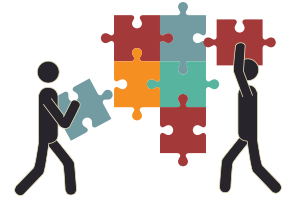
This method is based on the belief that no single policy, government department, organization or program can tackle or solve the increasingly complex social problems we face as a society. It requires multiple organizations or entities from different sectors to abandon their own singular agenda in favor of a common agenda, shared measurement and alignment of effort. Unlike collaboration or partnership, collective impact initiatives have a backbone organization whose role is to help participating organizations shift from acting alone to acting in concert.



We believe we can be one of the organizations that gets our community to band together and take on the impossible. But, there is no way we can do this alone. We are urging our fellow funders, service providers, business leaders, and investors to join with us in our focus on poverty and ALICE. We believe that with this approach, we will be able to make a bigger impact in our community and be able to change more lives.

Community Partners

Partnerships are based on a relational model where the United Way of the Wabash Valley (UWWV) acts as a collaborative entity, not only investing, but convening partners to join together with successful strategies toward the UWWV bold goal for the community. In this format, “partnership” has no association with member agencies. Investment opportunities described here are open to the entire community as there are no more member agency agreements and requirements.



Community Impact Committee

Our Community Impact Committee (CIC) remains as a standing committee of the UWWV Board of Directors, as it always has been. Their role will be to provide oversight for impact strategies and investments. Each year, when the Board of Directors determines the result of the annual Resource Drive, it will be the CIC that determines how much funding to provide to impact councils for their investments.

As we transition to this new collective impact model, the members of the CIC will become representatives from each of the impact councils formed. In order to maintain continuity, communications, and consistency in actions across our organization, the CIC will also include at least three members from our board. Additionally, to avoid any conflicts of interest with our donor resources, no employees or spouses of employees of any funded community partner may be a voting member of the CIC.

Our United Way will do its utmost to maintain the integrity and fairness, while targeting the very best of investments toward our bold goal. To learn more details about the functions of our Community Impact Committee in this new United Way direction, please read the full *Investment Strategies and Partnership Requirements Manual* available at uwwv.org/investment.



Impact Councils

United Way plans to create impact councils associated with five areas that dominated our Community Conversations: education, health, financial stability, neighborhoods, and safety net. These councils are multi-sector volunteer-led coalitions that will bring together subject matter experts, people who are passionate about the issue, people whose lives are affected by the issue, business leaders, and other organizations working to affect each area. Members of the impact councils will recommend and monitor the investment of United Way resources in order to bring successful results to their specified outcome targets in support of the overall UWWV community goal to move households to financial stability. A full list of proposed impact councils and their primary objectives is available in the *Stronger United Strategic Plan*.

The impact councils will oversee the development of outcomes and develop strategies to attain the outcomes related to that council’s impact area.

Evaluate and approve desired outcomes and measurement tools	Develop, invest, and manage resources
Cultivate business community partnerships within council	Progress reporting of outcomes

Composition

In determining the ideal composition for these councils, United Way paid close attention to avoiding conflicts of interest. It is so important to bring the expertise of local agencies to the councils, yet many of these same agencies will be seeking the funding available. How can United Way bring expertise to the table without those parties driving their own funding opportunities? The arrangement described below was specifically laid out to minimize conflict of interest possibilities.

Impact councils will consist of two separate governing and working bodies described below. Each separate body shall have a chair and co-chair. The chairs will be members of the Community Impact Committee.



Impact Council Development Team

- Not limited in number, but individual members will be vetted and approved by UWWV staff and the development team chair and co-chair.
- Members should include significant experience and/or passion for the particular impact council area.
- This working portion of the impact council will be responsible for developing outcomes and/or measurement tools and creating ways to invest resources to support outcomes.
- Community partners are invited to serve on this team.



Impact Council Resource Team

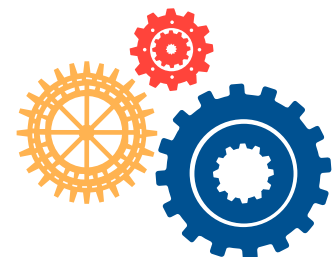
- Minimum of 5 and maximum of 7 persons.
- Selected by UWWV staff and approved by CIC vote.
- Membership will include experienced and/or passionate people in the field of the particular impact council, but this team should also include business and finance representation.
- Provide financial oversight for the resources entrusted to the impact council.
- Review and recommend for approval by the CIC all proposals regarding financial investments in the community brought forward by the impact council development team.

Requirements

- At least one member will be a United Way board member.
- No staff member, board member, or any other person affiliated with a fund-seeking community partner may serve on a particular impact council's resource team.
- Only one member or affiliate of any organization represented may serve on a particular impact council's development team. This is in order to make sure no organization has a louder voice or influence in decisions. We encourage agencies to join these councils.
- Spouses or partners may not serve together on the same impact council in any capacity.

Types of Funding Available

When impact councils are formed, the membership within those councils will be briefed on the variety of ways that they will be allowed to propose investments in the community. Each of three specific options are described in the information below. More examples and greater details can be found in the full *Investment Strategies and Partnership Requirements Manual*.



Collective Impact Grant Funding

- A standardized process for all impact councils.
- Single year funding will be available for Safety Net Programs. All others will receive multi-year funding.
- Similar to the past UWWV process, donor volunteer teams will review applications and award funding.
- Impact councils may set minimum and maximum grant dollar amounts for community investments.
- A recent example of collective impact grant funding is an impact council that issues an RFP to provide funds to remove financial barriers for childcare facilities in order to improve their program quality rating.

Alternative Investment Opportunities

- Funds provided from the CIC can be used for impact growth opportunities such as matching funds for a potential larger federal or specialty grant opportunity, investments into educational forums for the community, or small-scale grant opportunities.
- A recent example of an alternate investment opportunity: Vigo County was approached by the State of Indiana for eligibility in a state-funded program, *On My Way Pre-K*, to improve accessibility to quality childcare, but could only participate if matching funds are provided. Impact council designates funds for this purpose.

Develop Collaborative Impact Products

- The council may brainstorm and propose “impact products” (a community program or initiative) and seek collaborative partners to further develop and operate or execute the product.
- Examples of current UWWV of collaborative impact products: Real Men Read (RMR), or the Mobile Market, but instead of UWWV running the programs, the impact council looks for collaborators, sponsors, and even invests funds for supporting the “impact product.”

Impact Council Schedule

Earlier in 2018, our board supported the Community Impact Committee's recommendation to immediately begin formation of two impact councils. United Way is beginning our work to recruit membership for both the Success By 6 Impact Council and the Substance Use Disorder Impact Council. These two councils will receive funding in 2019 for investments as described earlier in this document. The Safety Net Council is also currently being formed. While other councils may begin formation in 2019, the amount of funding possible for those councils depends upon the growth of the United Way Resource Drive. It is not difficult to see that the ability to open more funding opportunities to more Wabash Valley organizations depends upon our donor engagement with this new mission and growth in our overall resources.



Join us as we work to change our community. Contact Mark to get involved at 812-235-6287 or email mjohnson@uwwv.org.



United Way
of the Wabash Valley