

2012-2013 Agency Certification Packet

Greetings!

Certification is the process through which our United Way performs due diligence to ensure that every agency presented to our employer customers is a legitimate, high-quality, health and human services organization worthy of their employees' trust and support.

Why should your agency be certified? Besides the “seal of approval” that certification offers in the minds of employers and donors, there are several advantages to being a Certified Partner Agency:

- Only Certified Partner Agencies are invited by Woodland United Way (WUW) to participate in local campaign presentations.
- Only Certified Partner Agencies are eligible to apply for funding through the WUW grant process.
- Only Certified Partner Agencies are listed on our website and all campaign material.

There have been some significant changes in Certification criteria this year, so please read the packet carefully. One of those changes is WUW will be accepting certification packets through United Way California Capital Region (UWCCR). If you plan on applying for certification through UWCCR please notify the WUW staff. UWCCR will forward us a copy of your certification packet. If you are not applying for certification through UWCCR you will need to download our certification packet from our webpage www.woodlandunitedway.org. **Eligible non-profits must have a physical location in Yolo County.**

WUW requires that certified partner agency's administrative and fundraising costs not exceed 25%. Agency's form 990 will be used to compute “overhead ratio”.

The following criteria are key indicators of an agency's financial viability. We don't want our donor's dollar to be the last dollar through an agency's doors before the doors close. If an agency fails to meet the standard on either indicator, our Certification Committee will develop a preliminary recommendation for **denial of certification**—but the Committee will immediately contact the involved agency and offer the agency the opportunity to appeal the recommendation to the Certification Committee before it goes to our Board.

The two criteria are:

- **Positive cash flow from operations** – The “cash flow from operations” line on the Statement of Cash Flows in an agency's financial report must be a positive number.
- **Positive net assets** – The “net assets” or “fund balance” lines on the Statement of Financial Position in an agency's financial report must be a positive number.

Another change will be good news for some of the smaller agencies that have been unhappy with having to provide an independent **GAAP audit** annually. Those audits are expensive and are getting even more so because of the new IRS Form 990. We no longer are requiring all agencies with \$100,000 or more of annual revenues to submit an independent GAAP audit.

- Revenues averaging up to \$250,000 for fiscal years ending 2008-2010 require a CPA prepared compilation financial statement.
- Revenues averaging \$250,000 to \$500,000 for fiscal years ending 2008 – 2010 require a CPA reviewed financial statement.
- Revenues averaging \$500,000 and above for fiscal years ending 2008 – 2010 require CPA audited financial statement.

The deadline for submission of certification packets to WUW is 4:00 p.m. on January 27, 2012. All applications must be *in our hands* by that time on that date. Faxes and electronic submissions will NOT be accepted, as we need “live” signatures. Applications received on time will be screened for completeness. If there is a problem with an application, it will be returned to the agency for corrections. **The absolute deadline for correcting and resubmitting applications is 4:00 p.m. on February 3, 2012.**

Applications may be hand-delivered or submitted by mail to:

Woodland United Way
1017 Main Street
Woodland, CA 95695
Attn: Pamela Vargas

If you have questions about the packet I can be reached at 530-662-3633. Once again, I strongly recommend that you read the Partnership Agreement carefully before signing it. It is a contract that spells out the responsibilities of each of our organizations.

Sincerely,



Pamela Vargas, Executive Director
Woodland United Way