BOARD POLICY
Community Investment

Procedure Management Responsibility:
Staff Responsible: **Chief Operating Officer**
Oversight by: **Community Impact Committee**
Date Approved: **October 7, 2025**

PURPOSE AND SCOPE

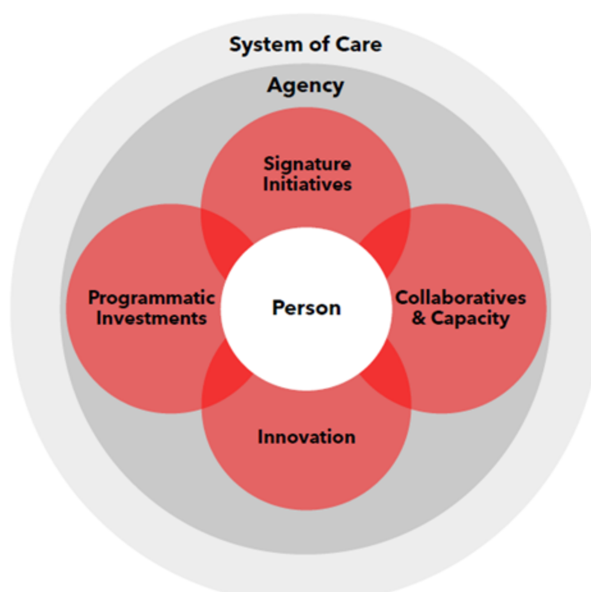
This Policy applies to all funds invested into community by United Way of Calgary and Area (UWCA). UWCA supports and invests in agencies and partners serving the human services sector, addressing the needs of the most vulnerable Calgarians, aligned with our four focus areas including socio-economic wellbeing, mental health, healthy relationships and social inclusion.

UWCA is committed to ensuring high-level oversight of all dollars invested into the community. The Board directs management to develop an annual Community Investment Plan that outlines a combination of agency, programmatic, collaborative, signature initiatives and innovation investments in accordance with the budget approved by the Board.

The Board, through its processes and standing committees, further directs management to identify community needs, set priorities and ensure quality investments. Management is also directed to develop, maintain and assess high standards for fiduciary and impact reporting.

COMMUNITY IMPACT FRAMEWORK

The Community Impact (CI) Framework brings to life Goal 1 of the Strategic Plan: deepen community impact. It guides United Way's approach to systems change, capacity building, and investments in the community. The goal of the Community Impact Framework is to optimize a coordinated social system of care that provides individuals and families with better access to services and supports across multiple administrative and funding jurisdictions and improves outcomes for people most at risk in our communities. Partnerships, collaborations and innovative approaches will create capacity to leverage our strengths and become more individual, family and community centered.



The investment mix is focused on investments that are person centered, collaborative, transformational and address the root causes of social problems. Investments are across the continuum of care (prevention to crisis), with emphasis on the prevention end when and where feasible depending on current needs in the community. Investments that are collaborative and aligned to systems change and a better system of care for people are prioritized.
The four categories of investments are:

- **Signature Initiatives:** United Way led transformational initiatives involving multiple sectors and systems (includes program funding and innovation)

- **Collaborative Systems Change** Collaborative multi-issue and multi-sector work that directly impacts the ecosystem in a coordinated way at a systems level
- **Innovation:** New solution development; community capacity building; emergent issues solutions
- **Programmatic Investments**: Single investments in an agency addressing a particular issue that are not connected to other initiatives

The Framework reflects the evolution of our organization from primarily an umbrella fundraiser and funder to an impact organization focused on outcomes. The focus is on the PERSON within community as both a contributor to and recipient of an integrated and coordinated social system of care. The approach values the capacities of individuals within their communities and strives to ensure that the social service system leverages resources and as a whole is more coordinated, effective, and responsive to the individuals it intends to serve. In addition, the Framework:

- Optimizes the ability of the social system of care to facilitate improved outcomes that meet the complex needs of the person as well as possible
- Acknowledges the interdependencies of social issues, community supports and the complexity of human needs
- Requires a commitment to collective impact through common goals and joint measurement
- Seeks to address root causes of social issues and unmet needs created by systemic barriers
- Engages people and organizations across different sectors in strategic partnerships
- Optimizes and leverages resources
- Emphasizes Indigenous and Western systems working together in parallel, while respecting the ethical space between both systems

The Framework supports United Way in leveraging our assets including convening, strategic investing, awareness building, advocacy, and the use of disaggregated data to dismantle barriers to create more equitable communities.

Envelope Funding is utilized where possible and reflects the expertise within the community. It allows organizations more flexibility within agreed upon parameters in responding to the current and emergent needs of the people served while still reporting on agreed-upon outcomes. United Way works with agencies to determine which programs will be considered within the envelope. An agency is able to move money within and between those initiatives over the course of the contract to best serve individuals in the community. Non-programmatic or service delivery needs can also be included in the envelope.

I. Advancing United Way's Purpose

a. The Community Impact Framework and the annual Community Investment Plan must demonstrate alignment to the Board approved Strategic Plan and iPlan (integrated business plan and budget). UWCA endorses investments that are timely, effective, and impactful and that address identified community priorities and needs.

b. The annual Community Investment Plan is to reflect a variety of investments that will result in outcomes and achievements in all four investment categories of the Community Impact Framework, addressing short and long-term needs and creating impact at the individual, family and community level.

c. The Community Impact Committee relies on Management to prepare the detailed annual Community Investment Plan.

d. The Board relies on its Community Impact Committee to bring a corporate and a community lens to all discussions of community impact and community investments.

e. The Board relies on its Community Impact Committee to build the Board's understanding of the Community Impact Framework and the annual Community Investment Plan.

f. The Board is committed to being a catalytic force for excellence, innovation, and community-level change.

II. Eligibility and Qualifications of Funded Organizations

g. Funding from UWCA is accessible to agencies registered with Canada Revenue Agency ("CRA") as a charitable organization. In 2022, the *Income Tax Act* (Canada) was amended to allow a registered charity like UWCA to make a disbursement by way of grant to a grantee organization that is not a qualified donee (a "**NQD**") if (i) the disbursement is in furtherance of a charitable purpose of UWCA; (ii) UWCA ensures that the disbursement is exclusively applied by the NQD to charitable activities in furtherance of a charitable purpose of UWCA; and (iii) UWCA maintains documentation sufficient to demonstrate: (A) the purpose for which the disbursement is made and (B) that the disbursement is exclusively applied by the NQD to charitable activities in furtherance of a charitable purpose of UWCA. In light of these amendments, UWCA is able to provide funding to a NQD provided the NQD is an incorporated non-profit and has purposes that align with UWCA's charitable purposes (even though the NQD is not a registered charity) and the NQD uses the funds for a charitable purpose that aligns with UWCA's charitable purposes. UWCA has decided that it will not provide funding to an unincorporated NQD as the risk is too high.

h. UWCA will ensure that the reputation and standing of all partner organizations which it funds or with which it collaborates, appropriately align with those of UWCA.

i. UWCA will develop and implement appropriate review mechanisms to ensure that the fiduciary, reputational and fiscal practices of partner organizations meet UWCA's expectations.

j. Investment decisions are made with a framework of 8 basic criteria. An investment or the organization that receives the investment must:

1. Align with UWCA focus areas
2. Address individual, policy, systems or institutional change
3. Engage and mobilize community
4. Address community need
5. Address underlying causes of social issues
6. Demonstrate impact
7. Exhibit excellence in performance and leadership
8. Exhibit strong governance

k. Registered Canadian charities and NQDs operating local programs may apply for UWCA support. Registered Canadian charities and NQDs operating programs in Alberta may apply for support as part of UWCA provincial initiatives. UWCA does not fund:

   1. Hospitals
   2. For-profit groups
   3. Political parties
   4. Religious activities
   5. Capital expenditures
   6. Individuals
   7. Deficit funding

III. Funding Principles

a. Wherever possible and prudent, UWCA shall commit its allocated funding to programs and initiatives in multiple-year contracts while maintaining the ability to be agile and respond to emerging issues and needs.

b. Wherever possible and appropriate, UWCA will work in concert with other funders to leverage impact.

c. UWCA does not increase funding solely because another funder has decreased or withdrawn funding.

d. Where initiatives with a multi-year grant are no longer provided with funding, UWCA will develop an appropriate transition plan at the end of such funding to ensure, where possible, that long-term benefits are sustained.

e. Board directs management to retain a reserve of up to a maximum of 5% of the previous year's approved allocations for the purpose of managing the long-term sustainability of allocation commitments. This will be in addition to the $1M reserve fund maintained for community emergencies.

IV. Accountability and Impact

a. All investments shall be appropriately monitored and measured for expected impact through a variety of review processes. Management will update the Community Impact Committee on an annual basis regarding the impact of the previous year's investments and partnerships.

b. The standing and capacity of all partner organizations shall be routinely assessed to ensure that UWCA's ability to drive impact will not be compromised.

c. UWCA has specified reasons for discontinuation of funding, including factors that are applied to assess the potential for investment risk.

V. Research and Evaluation

a. Research and evaluation contribute to effective impact strategies and UWCA shall ensure that research and evaluation is targeted toward sustaining positive impact in the lives of Calgarians in alignment with the Board-approved Strategic Plan and the Community Impact Framework.

b. United Way shall utilize the Community Impact Evaluation Framework to monitor the impact of investments.

VI. Advocacy

a. In any investment, UWCA shall maintain a non-partisan position around the issues it is addressing. Accordingly, any advocacy aimed at addressing these issues shall not support, detract from, or otherwise attempt to influence the public's attitude to any elected representative or public official.

VII. Financial Control and Risk

a. UWCA Board shall direct management to present an annual budget for all community investment funding, for its approval. Prior to approval it should be demonstrated that the organization has sufficient funds to meet the obligations of the annual budget and forecasted commitments.

b. Management may vary the investment made among agencies with prior approval of the President and CEO.

c. Any investment that causes the total of all investments to exceed that approved in the annual budget shall require sanction of both the Community Impact Committee and the Finance, Audit and Technology Committee before being brought before the Board for approval.

d. UWCA obtains funds that are restricted by donors for payment to other charities (donor choice). To the extent that such restriction applies to any charity which UWCA funds, UWCA may assess whether such restricted funds provide reason to modify any intended funding to such charities.

e. UWCA shall ensure that all funds invested are appropriately accounted for.

f. At all times, UWCA shall ensure that funds used for community investment purposes are able to meet public scrutiny and that any outlay of funds will not result in damage to UWCA's reputation.

g. UWCA shall ensure that any funds invested which are not used for the purpose intended are, within an acceptable period of time, returned to UWCA.

h. All funding commitments – annual or multi-year - are subject to the availability of Board-approved funds. All funding contracts specify this caution by including the statement:

> "Funding for all (term) years is contingent upon the successful campaign and the availability of Board approved funds".

i. Where changes or needs emerge in the course of any given year, the President and CEO may authorize a reallocation of the approved annual Investment Plan up to 5% of the total. Any necessary reallocation beyond this threshold will require Board approval.

VIII. Reporting on Community Impact

a. The Board directs management to provide quarterly fiduciary and impact reports to the Community Impact Committee and the Board and an annual Community Impact Report to the Board and community.

b. UWCA requires reporting from all funded programs and collaborations through an electronic format by January 31st, annually.

c. Public reporting, publicity and campaign materials are derived primarily from the Community Impact Report. Other materials created are overseen by the Community Impact Team, ensuring the use of confirmed data results. This report is built from the data submitted by funded agencies and collaborations, synthesized for authenticity and impact.