

Build Your Fiscal Fitness: An Introduction to Strong Nonprofits

May 22, 2013

2:00 – 3:00 p.m. ET



Agenda

Welcome/Introductions

Jessica Donner, Director, CBASS

Background to Strong Financial Management

Nina Sonenberg, Communications Officer, The Wallace Foundation

Overview of StrongNonprofits.org

Hilda Polanco, Managing Director, and John Summers, Manager of Consulting, FMA


Intermediary Response

Hillary Salmons, Executive Director, Providence After School Alliance

Q & A

Previously submitted and live questions

First: A Quick Poll

- Describe your organization.
 - What is your organization's top financial challenge?
- 

Strategic Financial Management

StrongNonprofits.org

Key strategies and free resources to advance your nonprofit's financial management.



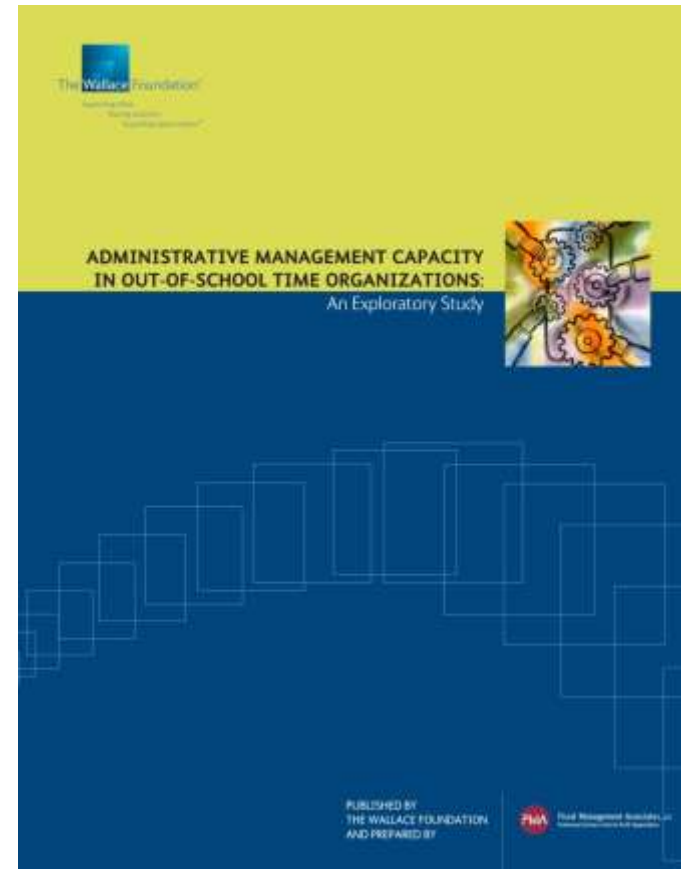
Pioneering System Building Cities



FMA Study

Key Findings:

- 1. Organizations Can Do Better:**
Many youth-serving nonprofits struggle with financial management.
- 2. Funders Can Do Better:**
Many funding policies and practices contribute to financial stresses, including late payments, too little support for administrative costs, and multiple reporting requirements.



Available for download at www.wallacefoundation.org

“There is a feeling that programming is important and finances are less important.”

— Elizabeth Boris , *Director* Urban Institute’s center on Nonprofits and Philanthropy

“We didn’t have enough to pay our electric bill.”

— Maria Pesquiera, *Director*,
Mujeres Latinas En Accion Chicago

→ Program Quality is Directly Connected to Strong Financial Management



Chicago Demonstration Project

Goals

**1. Improve financial management
of OST organizations**



**2. Address the policies and
practices that affect service delivery**



Wallace's Strategic Financial Management (SFM) Initiative

Essential practices for strong financial management:

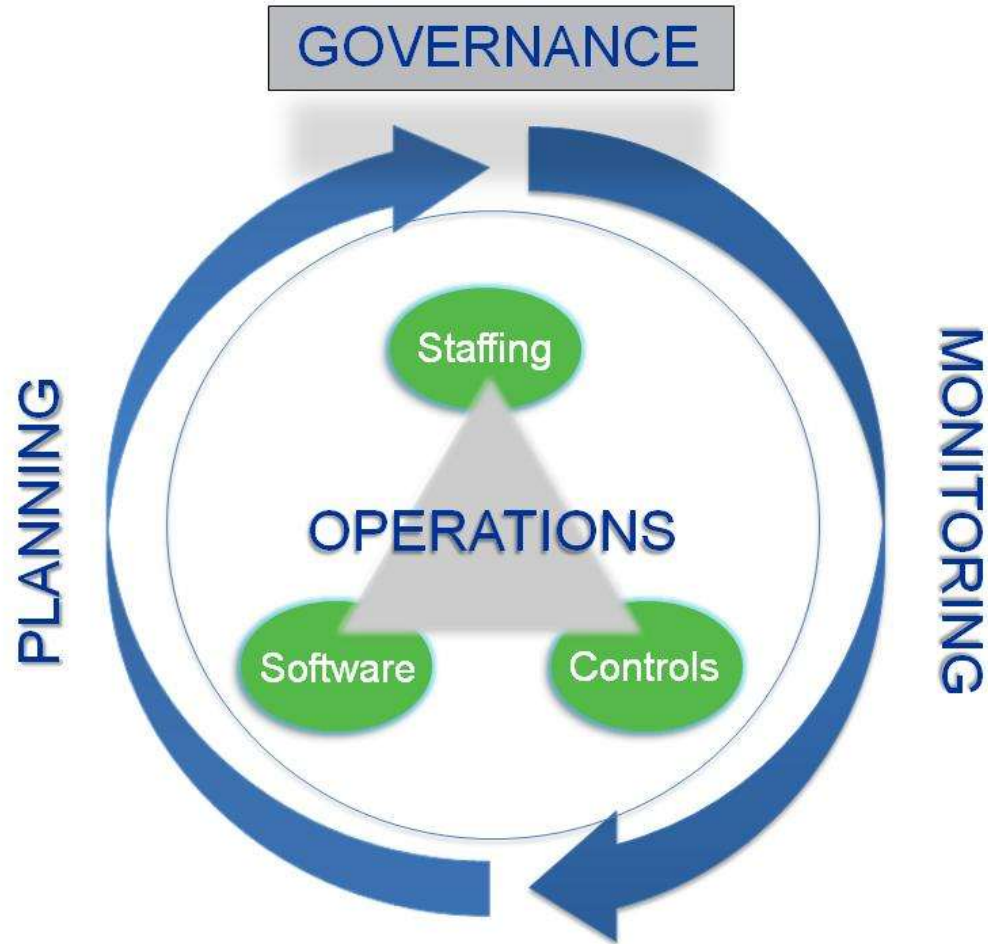
1. Develop accurate, realistic budgets;
2. Monitor the financial status of individual programs; and
3. Project and manage cash flow needs.





What is financial management?

A core strategic function, focused on the central question of how best to use limited resources to carry out your organization's mission





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Resources for Nonprofit Financial Management

Organizations with strong financial management are better able to fulfill their missions and deliver high-quality services. With [Fiscal Management Associates](#), a leading financial management consultant for nonprofits, we've created this library of resources to help your organization become "fiscally fit."

Overview | Planning | Monitoring | Operations | Governance | All Resources

FEATURED RESOURCE



▶ [Go or No-Go?](#) A tool to help you decide if a contract or funding opportunity makes sense for your organization.

How to Strengthen Financial Management

Strong financial management involves four key elements – planning, monitoring, operations and governance. Here are resources for learning how to do them right. [More...](#)

Four Key Areas of Strong Financial Management



Planning
With budgeting and financial analysis, you can use your resources strategically to help achieve your organization's goals.



Monitoring
Regularly review financial results to ensure you're using resources according to your plan – and advancing organizational objectives.



Common Challenges of OST Providers and Intermediaries

- Budgeting for full costs of programs
- Evaluating and managing restricted funding
- Planning for financial sustainability



Common Challenges of OST Providers and Intermediaries

- Budgeting for full costs of programs
 - [Program-Based Budget Builder](#)
 - [A Five-Step Guide to Budget Development](#)
- Evaluating and managing restricted funding
- Planning for financial sustainability



Common Challenges of OST Providers and Intermediaries

- Budgeting for full costs of programs
 - [Program-Based Budget Builder](#)
 - [A Five-Step Guide to Budget Development](#)
- Evaluating and managing restricted funding
 - [Funding Opportunity Assessment Tool](#) (“Go or No Go”)
 - article on “[Contract Wizardry](#)”
- Planning for financial sustainability



Common Challenges of OST Providers and Intermediaries

- Budgeting for full costs of programs
 - [Program-Based Budget Builder](#)
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- Evaluating and managing restricted funding
 - [Funding Opportunity Assessment Tool](#) (“Go or No Go”)
 - article on “[Contract Wizardry](#)”
- Planning for financial sustainability
 - [Maintaining Operating Reserves](#) whitepaper
 - [Cash Flow Projections Template](#)



Level	Function	Sample Responsibilities
Strategic	Lead and support organizational financial planning and monitoring	<ul style="list-style-type: none">• Manage financial planning processes• Analyze financial reports and communicate financial information to management and board• Provide oversight and monitoring of internal controls and fiscal functions
Operational	Ensure that the finance office is effectively carrying out its operational responsibilities	<ul style="list-style-type: none">• Manage financial reporting cycles and ensure accuracy and timeliness of financial reports• Monitor cash flow• Prepare invoices/vouchers to funding agencies
Transactional	Support day-to-day functions by performing accounting duties, data entry, and administrative tasks.	<ul style="list-style-type: none">• Enter accounts payable information and other data to the accounting system• Issue checks and make cash deposits• Maintain accounting records



Financial Portrait of an After-School Intermediary

“Broker...connector...bridge builder...innovator”

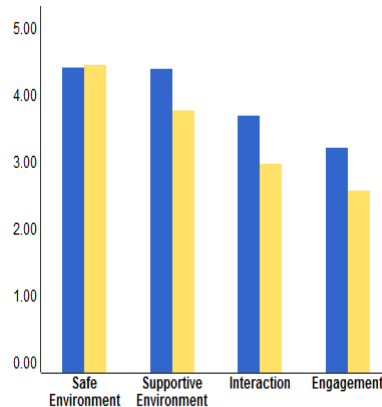


Original Theory of Change

Collective Leadership + Best Practices/Data + Coordinated OST System =
RESULTS for Youth (**increased attendance, engagement & grades!**)



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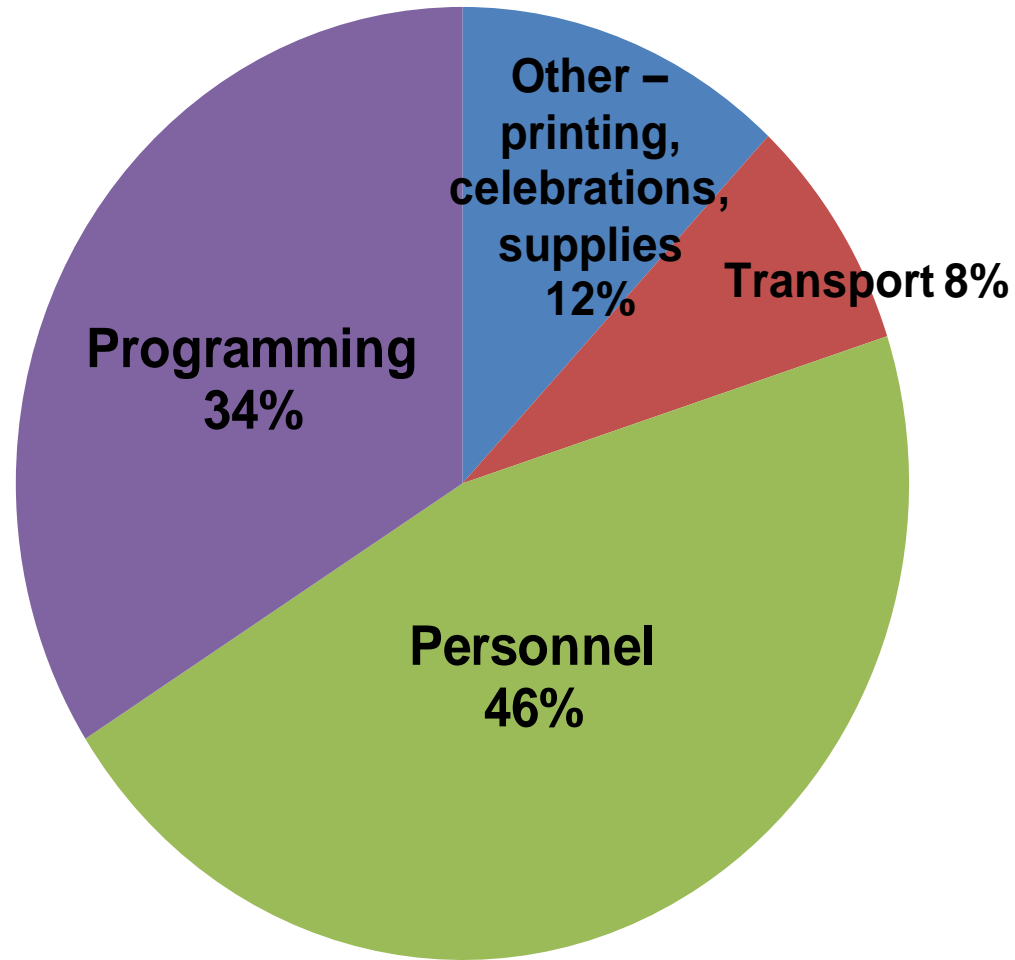
Build capacity to sustain public-private system...



1,850 Middle and High School Youth

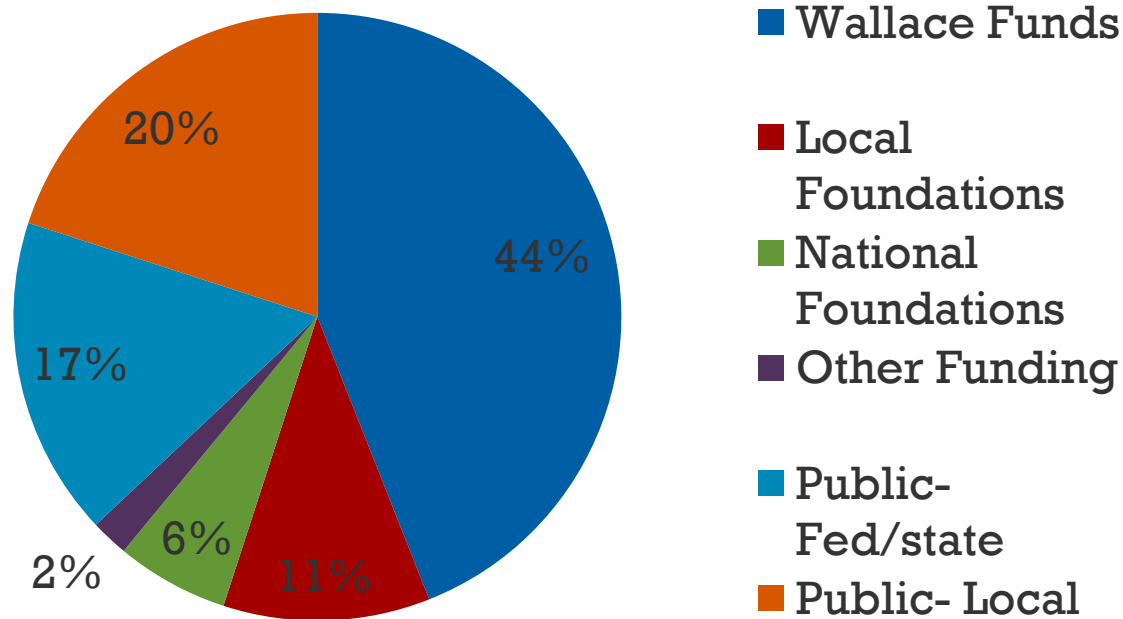
Convene and plan	80 – 100 partners/290 PT Youth Workers
Develop & sustain funding/resources	\$3 million budget
Logistics & operational support	6 M Schools & 2 H Schools
Policy advocate	Experiential Learning & Youth Development
R & D for innovation	Summer, Expanded Learning, ELO credit, Badges for Learning
Disseminate promising practices	12 FT – 30 PT staff
Accountability – MIS & Quality/Youth Assessments	Happy Customers!





PASA Funding by Source Type 2011-2012

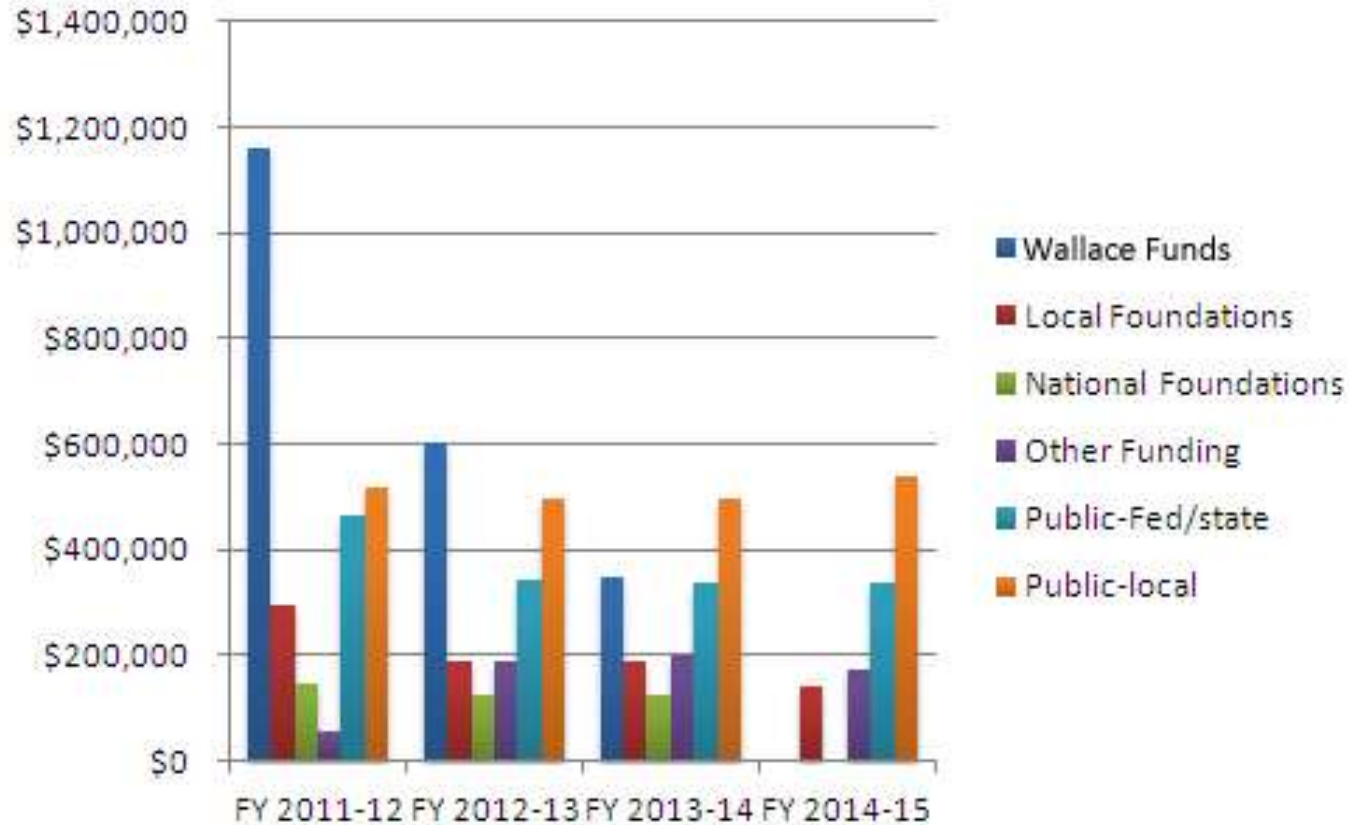
\$2.6m



PASA's Budget - \$1,200 per child



PASA Funding by Source Through FY 2014-15



Braided Funding

www.mypasa.org



www.mypasa.org

www.hubprov.com



Q&A



Learn more:

www.afterschoolsystems.org

www.fmaonline.net

www.wallacefoundation.org

www.mypasa.org

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