

# Navigating Non-profit Financial Management

## Affiliate Challenges and Solutions

Questions	Solutions
What technology tools can support budgeting and tracking expenses by grant? What tools can help with reporting on grants?	<a href="#">Quickbooks</a> - <a href="#">QuickBooks®: official Site   Smart Tools. Better Business.</a> <a href="#">ELEO</a> - <a href="#">Eleo Online Fundraising &amp; Donor Management Software</a> <a href="#">HubStaff</a> - <a href="#">Hubstaff   Time Tracking and Productivity Monitoring Tool</a> <a href="#">Salesforce</a> - <a href="#">Salesforce: The Customer Company   Salesforce US</a> <a href="#">Blackbaud</a> - <a href="#">Fund Accounting Software   Blackbaud Financial Edge NXT</a>
How much do you spend on financial management staffing? What roles are working on this?	<ul style="list-style-type: none"> <li>-Budget for the end goal</li> <li>-Most EDs and fund development staff are also doing financial management.</li> <li>-Important to invest in the development of staff.</li> </ul>
How do you engage with staff in the budgeting and fundraising?	<ul style="list-style-type: none"> <li>-Setup monthly meetings to review the budget, expenses to date, etc.</li> <li>-Include staff at the beginning of budget planning for the future.</li> <li>-Setup training for all staff and board members on budgets and allocations.</li> <li>-Setup incentives for staff (e.g. selling tickets for event can earn you another PTO day)</li> <li>-Assess what your development team looks like? Experience, background, skills, etc.</li> </ul>
How do I engage the board in fundraising for the organization?	<ul style="list-style-type: none"> <li>-Establish board policy, give or get (donors).</li> <li>-Be intentional with recruiting board members.</li> <li>-Establish fundraising/finance committee</li> <li>-Establish goals for board members and individuals on committees.</li> <li>-Look at board members of foundations – see who you/your board know. Leverage that for outreach and relationship building.</li> </ul>

How do you calculate the real cost of programs – as we grow and consultants change.	<ul style="list-style-type: none"> <li>-Add salary increase (percentage) each year per staff person in the grant budgets.</li> <li>-Estimate increase in all expenses year by year.</li> </ul>
How do you diversify funding? What revenue mix is financially healthy?	<p>Mix of sponsorships, academia, corporate grants, foundations, individual donors, state and local government grants, pay by service/program income, fundraising events.</p> <p>No perfect mix, but important to braid your funding (mix of sources and timeframes).</p>
How do you increase your unrestricted funding? How do you increase budget size?	<ul style="list-style-type: none"> <li>-Expand individual donors, program income, and operating grant requests.</li> <li>-Develop one year plan with specific strategies to pursue for building up</li> </ul>
How do you create sustainability with funding?	<ul style="list-style-type: none"> <li>-Don't "follow the money" - it may cost you more in the end.</li> <li>-Look for opportunities to cost-share with other organizations; join coalitions or request in-kind donations to support certain expenses.</li> <li>-Build relationships</li> <li>-Leverage impact reports, annual reports for increasing visibility with funders</li> <li>-Develop bank of stories.</li> </ul>
How much in operating reserves are needed?	<ul style="list-style-type: none"> <li>-Minimum 3-6 months of expenses covered.</li> </ul> <p>Invest part of the operating reserves to earn revenue.</p>
How do you allocate your expenses in grant budgets?	<ul style="list-style-type: none"> <li>-Develop an accurate percentage for overhead costs.</li> <li>-Avoid having a lot of staff charging grants at smaller percentages.</li> </ul>

### **Suggestion for UUS**

Bring funders to all of the affiliates for affiliates to present opportunities for funding.  
Optimizing all efforts in building relationships.