



WEBINAR

# Building Blocks to Transform your Nonprofit FP&A Process

June 23 | 11AM PT

## KEY LEARNINGS

# Agenda

- Introductions & Overview
- Review the impact of nonprofit market trends
- Demo of comprehensive planning, budgeting and modeling specific to nonprofits
- Q&A



## INTRODUCTIONS

# Presenters



**Terry Ginley**

Vice President Partnership  
Development, Solver



**Brenda Kahler, CPA**

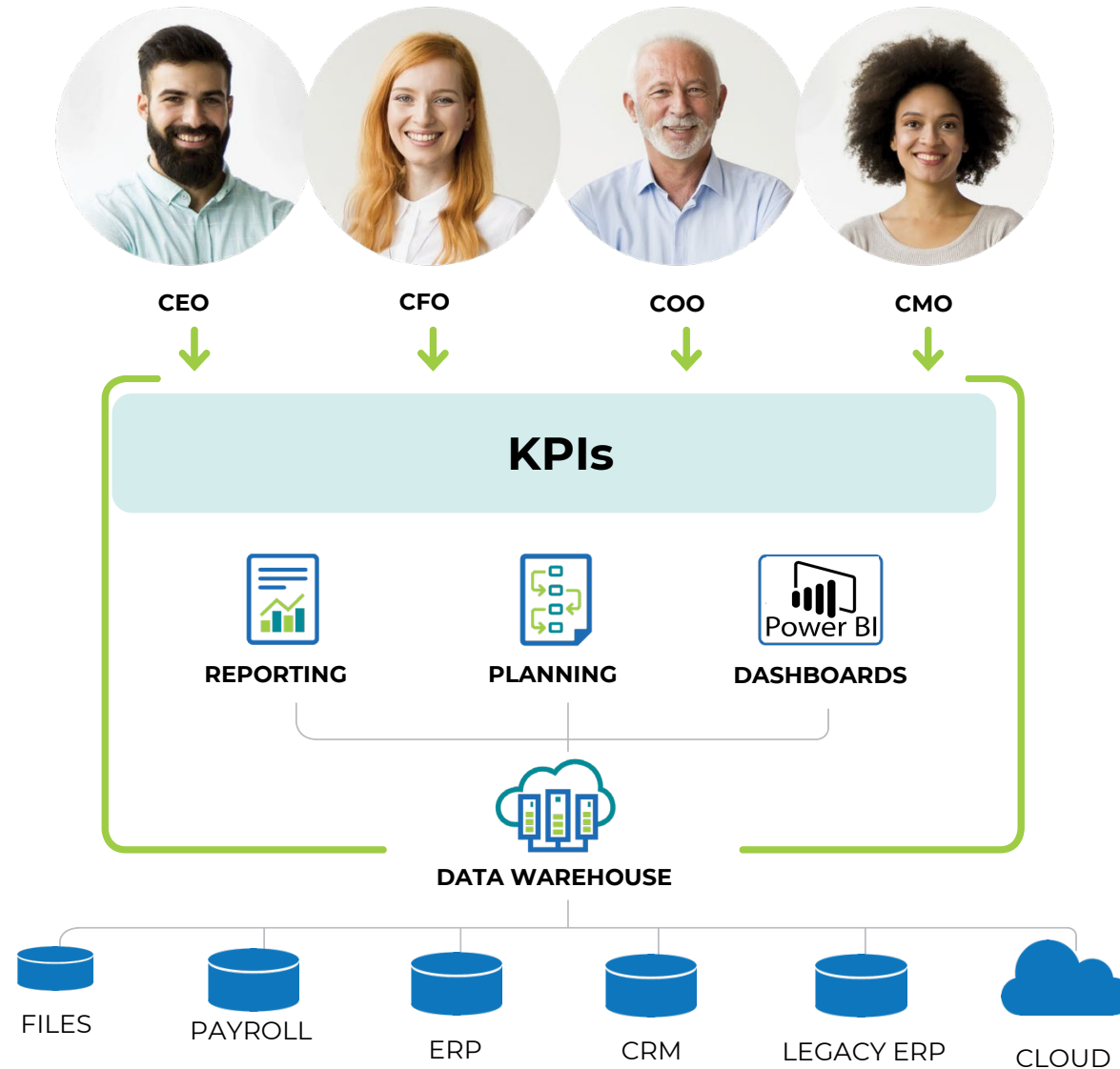
Nonprofit Client Engagement,  
Armanino



**Todd Bowsby**

Solution Architect, FP&A Expert,  
Armanino

# Solver provides key insights across the organization



Complete  
Insight...  
Faster, Better Decisions

## Company

- Established for 20+ years
- Locations in 15+ countries
- Over 140 employees
- Over 100 partners
- Serves 3,000+ customers

## Key Benefits

- Single cloud portal and database
- Rapid configuration with Templates
- Quick time to value

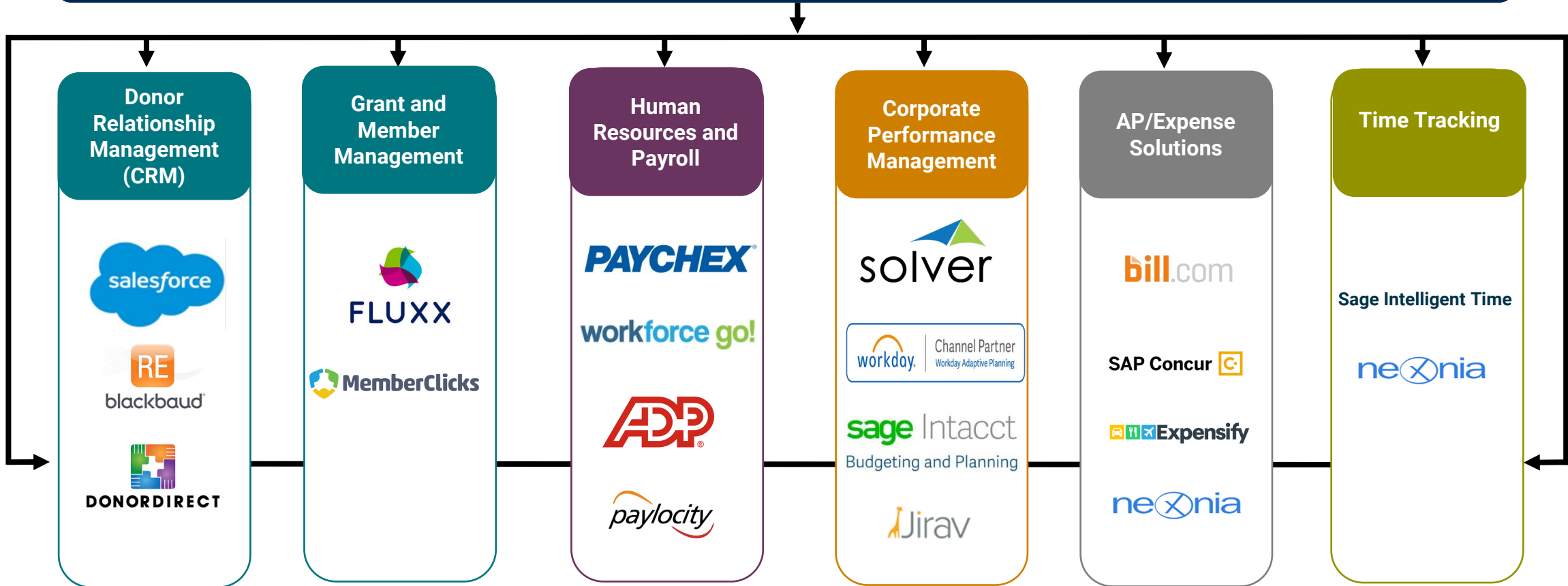
## Solver Apps

- Process automation
- KPIs and Alerts
- Dashboards
- Reporting & Consolidation
- Budgeting & Forecasting
- Intelligent Data Warehouse
- Data source connectors



# NONPROFIT TECHNOLOGY STACK

## Enterprise Resource Management (ERP) Real Time Data Visibility





## ABOUT US

# Firm Overview

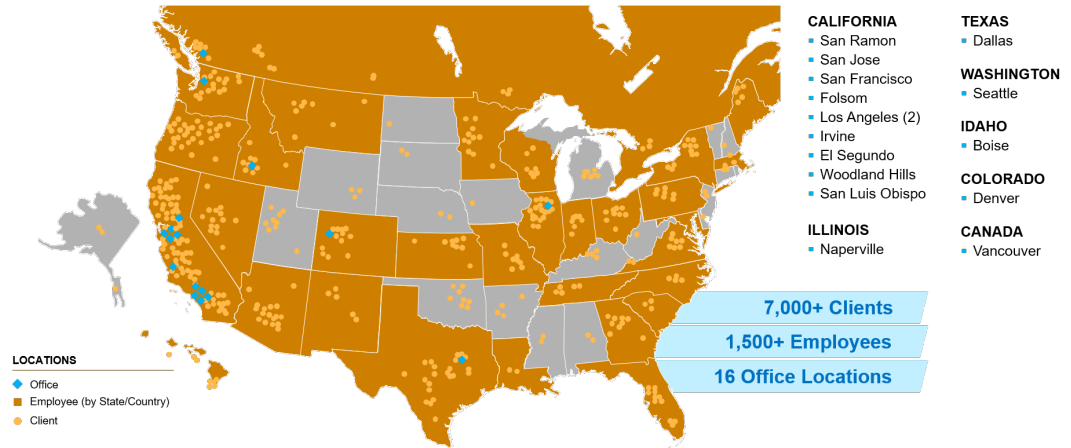
### Purpose

To be the **most innovative** and **entrepreneurial firm** that makes a **positive impact** on the lives and **our clients, people and our communities.**

### Snapshot

1500+ Employees  
Team Members in 22 States  
21st Largest CPA & Consulting  
Largest Niche: Nonprofit

### Locations



### AFFILIATE COMPANY



### RECOGNITION & AWARDS



## NONPROFIT CAPABILITIES



### REPORTING

Real-time data and strong analysis drive board decisions and management strategy, and good financial reporting practices affect how you raise funds, invest contributions, compensate your staff and conduct your day-to-day operations.



### COMPLIANCE

Meeting the requirements of the IRS, boards, donors and government entities is crucial to receiving funding & support.



### TECHNOLOGY

The right systems, properly deployed, can drive important efficiencies in both finance and operations, helping your nonprofit report on what matters most, while increasing time focused on strategic planning.



### HUMAN CAPITAL

Finding the right people, educating them properly and giving them the tools needed to do their jobs efficiently is the cornerstone of any nonprofit organization.

Private Education



Foundations



Social & Human Services



Performing & Fine Arts



Animal & Environment



Religious Organizations



## POLLING QUESTION

What are you currently using as your financial reporting, budgeting and planning tool?

**PLEASE CHAT YOUR ANSWER IN THE CHAT BOX.**







Transform

## Review the Impact of Nonprofit Market Trends

# NAVIGATE YOUR BUSINESS TO ITS NEW NORMAL



## TRIAGE

*STOP THE FREEFALL TO STABILIZE YOUR BUSINESS FOR THE SHORT-TERM*

- Create models to get a clear financial picture
- Shore up cash by reviewing all expenditures including staff
- Increase communication to maximize client retention
- Assess infrastructure to minimize risk

TIMING:  
2-4 WEEKS



## FORMATIVE ASSESSMENT

*CREATE ACTION PLANS FOR VIABILITY BASED ON LEARNINGS*

- Analyze products and services to attain best market potential
- Navigate regulations to determine best applications
- Communicate pivots to your stakeholders and gain alignment from your board
- Create or adjust delivery models

TIMING:  
1 MONTH

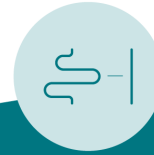


## TRANSITION

*IMPLEMENT YOUR PLANS AND MEASURE RESULTS*

- Roll out new products and services and test pricing models
- Formalize human capital infrastructure and policies
- Reevaluate forecasts and models
- Ensure compliance with applicable regulations

TIMING:  
1-2 MONTHS



## OPTIMIZATION

*INVEST IN WHAT'S WORKING AND DIVEST OF WHAT'S NOT*

- Measure business performance to ensure benchmarks are being met
- Invest in modernized technology to meet new customer expectations
- Secure funding for strategic investments
- Re-benchmark major key cost centers

TIMING:  
3 MONTHS



## GROWTH

*ADAPTED TO THE NEW NORMAL AND OPERATING AT A HIGH CAPACITY*

- Form task forces to look for new opportunities
- Add leadership to execute innovative initiatives
- Leverage the latest technology such as AI, bots and mobile platforms to increase business functionality
- Capitalize on expansion strategies and directives such as M&A, geographic growth and new product development

TIMING:  
3-6 MONTHS

## NONPROFIT INDUSTRY TRENDS



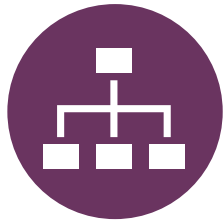
### CRISIS MANAGEMENT

- What-if scenarios
- PPP forgiveness planning
- Revenue diversification
- Re-opening planning
- Nonprofit mergers and acquisitions



### TECHNOLOGY

- Increase in virtual office visits and phone-based voice user interfaces
- AI and machine learning
- Creation of Chief Data Analytics Officer role
- Increase in data breaches and phishing attacks



### COST MANAGEMENT

- Total cost of services
- Automation of procure to pay process
- Automation of expense reporting and reimbursement



### VALUE AND PRICING

- Evolution into value-based pricing
- Financial responsibility

# IT STARTS WITH YOUR STRATEGY

## Learning & Growth

To Reach Its Vision, How Is The Entity Likely To Sustain Its Capacity To Change & Improve?

## Financial

To Succeed Financially, How Should The Entity Appear To Their Stakeholders?



## Donors

To Reach Its Vision, How Should The Entity Appear To Donors?

## Internal Processes

To Satisfy Their Stakeholder, What Internal Processes Should The Entity Master?

## NONPROFIT FP&A CHALLENGES

### **Small** (Under \$10 million)

- Inadequate talent
- Undefined processes
- Long time to close & report
- Issues with understanding cash flow
- Confidence in financial data

### **Medium** (\$10 million - \$50 million)

- Forecasting errors
- Unexpected expenses
- Affording quality staff
- Inability to assess options
- Lack of technology

### **Large** (Over \$50 million)

- Decentralized entities and locations
- Multiple accounting systems
- Inaccurate analysis, forecasting and business models
- Ineffective cash management

## FP&A EVOLUTION

### Basic

- Annual plan
- Monthly reporting (BVAs, , B/S, C/F)
- Spreadsheets

### Moderate

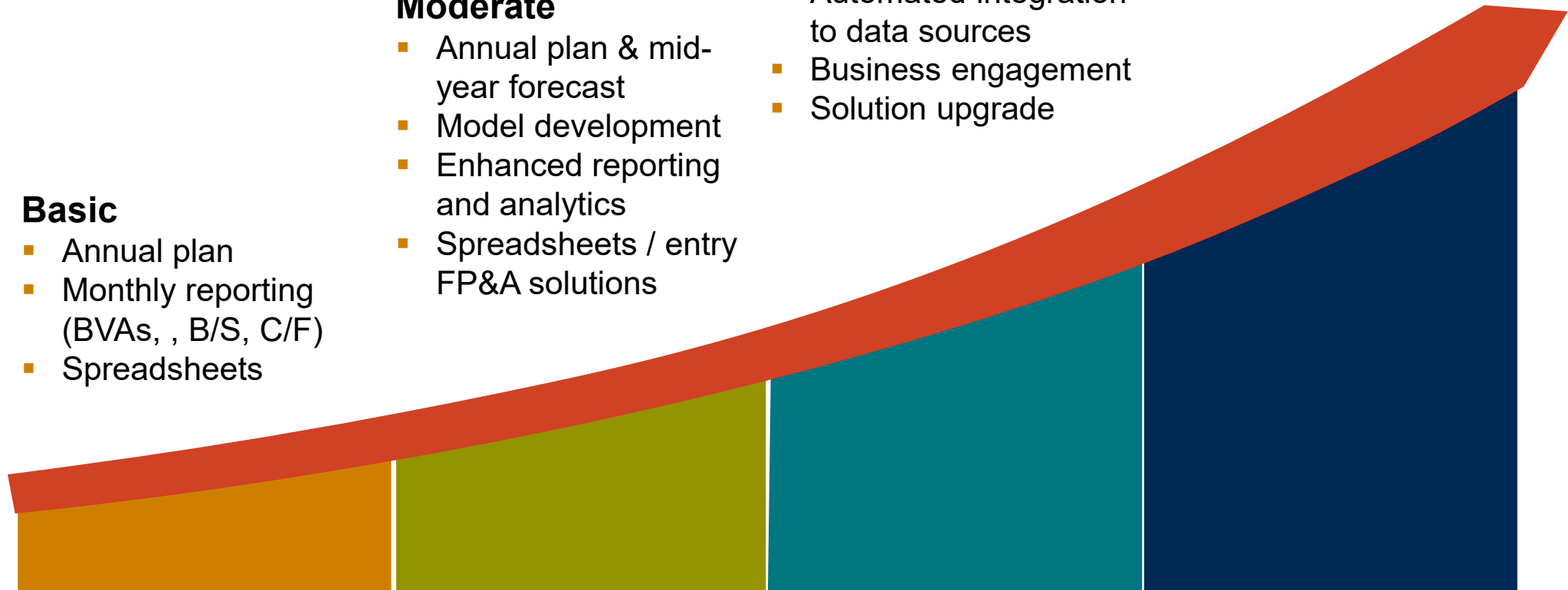
- Annual plan & mid-year forecast
- Model development
- Enhanced reporting and analytics
- Spreadsheets / entry FP&A solutions

### Advanced

- Quarterly & rolling forecasts
- Automated integration to data sources
- Business engagement
- Solution upgrade

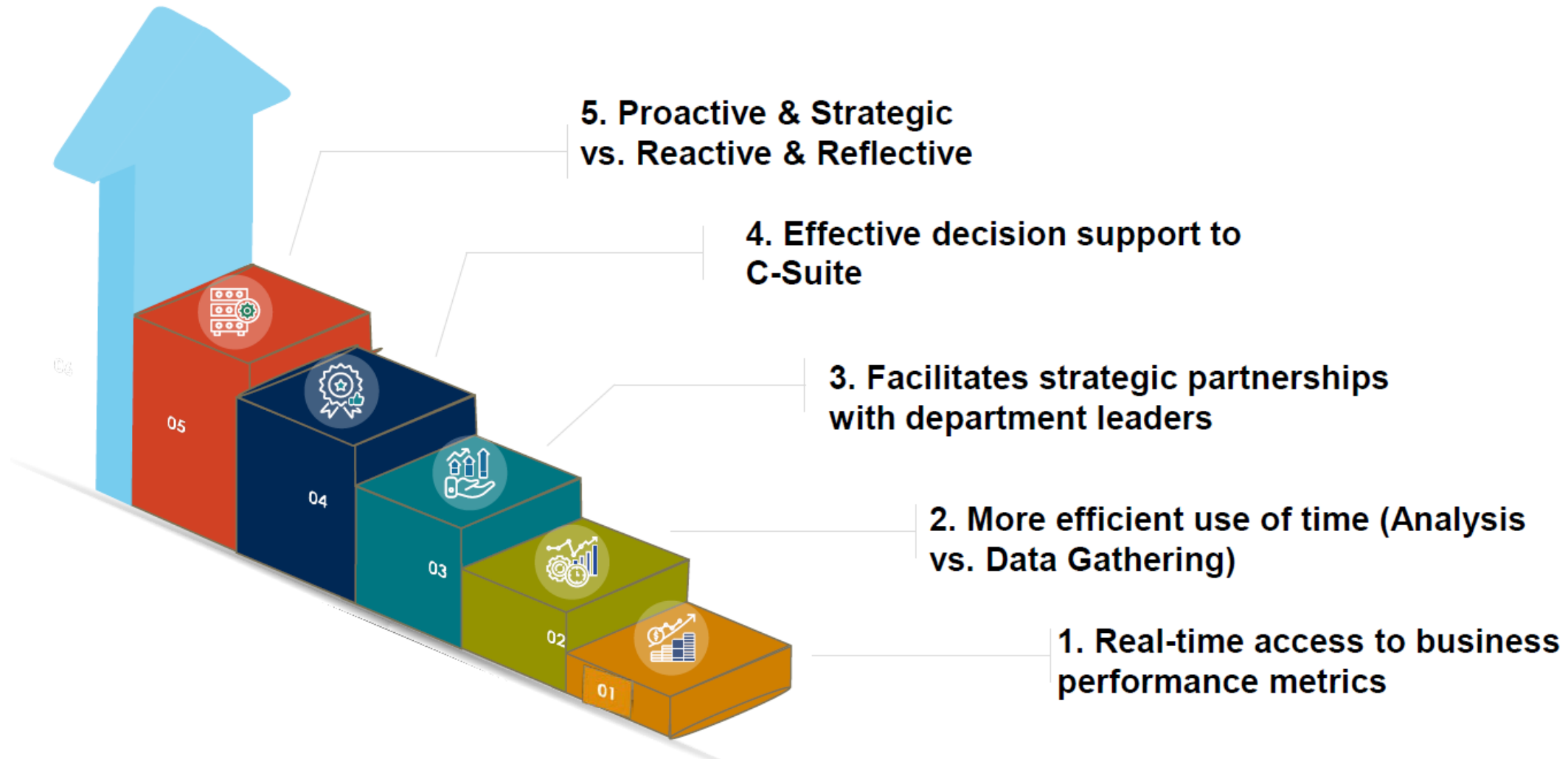
### Strategic

- Monthly planning
- Data visualizations
- What-if scenario modeling
- Business partnerships
- CFO decision support





## BENEFITS OF A ROBUST FP&A SOLUTION





***Assessing and Reporting Corporate Performance for Strategic and Tactical Decision Making.***

■ **Budgeting**

- + Cash Management
- + OPEX Optimization
- + Variance Analysis

■ **Forecasting**

- + Long Term Financial needs
- + Actual to Forecast Variance

■ **Business Modeling**

- + Financial Modeling
- + Cash Flow Modeling

■ **Strategic Planning**

- + Interim & Outsourced Finance Leadership
- + Process Improvement & Documentation
- + Merger or Acquisition Strategies

■ **Management Reporting**

- + Dashboards & KPI's
- + Board Preparation
- + Gap Analysis

■ **Financial Analysis**

- + Program Launches, Program ROI
- + Audit Prep
- + Close Acceleration

■ **Capital Planning**

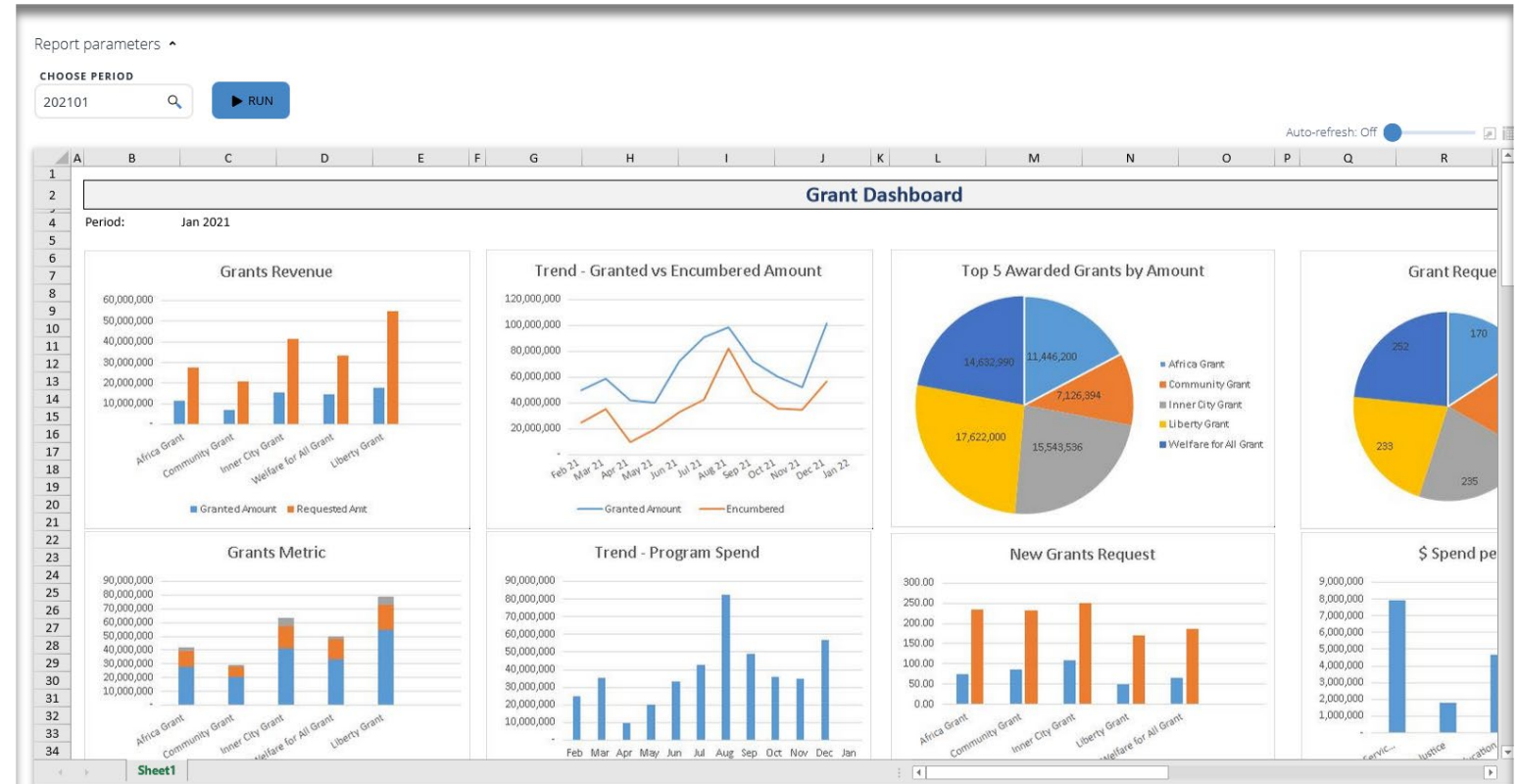
- + Analysis & Planning
- + Lease Accounting

■ **Technology Implementation**

- + CPM Solutions

## SOLVER FOR NONPROFITS

- Streamlines financial budgeting processes
- Automatically pulls information you need for your trial balances and transactions from your general ledger
- Monitor and review information throughout the year instead of only at year end
- Create monthly forecasts and what-if scenarios

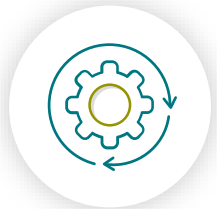




Demo

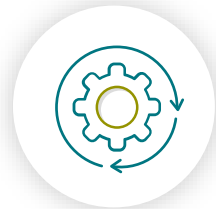
## Planning, Budgeting and Modeling

## Pitfalls to Avoid



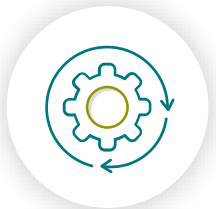
### Don't make bad fast

- GIGO – Garbage In, Garbage Out
- Don't take excel and put it into a better tool



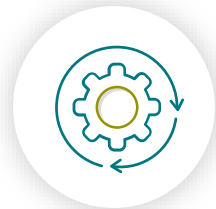
### Go beyond your finance team

- Create self-service reporting
- Collaborative planning with department leaders



### Avoid short-term thinking

- Don't focus only on immediate issues... think strategic
- Grow into solution . . . Phased implementation



### Resist a one and done approach

- Build a center of expertise
- Evolve your FP&A process over time
- Create multiple SMEs for the solution



## In Closing

- ✓ Today we have discussed:
  - ✓ Nonprofit trends
  - ✓ Components of a robust and integrated technology ecosystem
  - ✓ Tangible steps you can take to build out your nonprofit ecosystem
  - ✓ Demonstrated how a system like Solver can address your integrated reporting needs





Let's chat!

## Q&A

“

Shari Freedman, Chief Financial Officer, Room to Read

“Armanino helped us become systems and technology enabled. Our new systems gave us the confidence, control, automation, and visibility we needed to achieve a successful transition to our new organizational structure.”

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We hope you enjoyed.

Thank you!



### Contact us:

Brenda Kahler, Armanino

[brenda.kahler@armaninollp.com](mailto:brenda.kahler@armaninollp.com)

Todd Bowsby, Armanino

[todd.bowsby@armaninollp.com](mailto:todd.bowsby@armaninollp.com)

Terry Ginley, Solver

[tginley@solverglobal.com](mailto:tginley@solverglobal.com)