



Armanino^{LLP} Welcomes You To Today's Webinar:
A CFO's Model for Nonprofit Board Governance

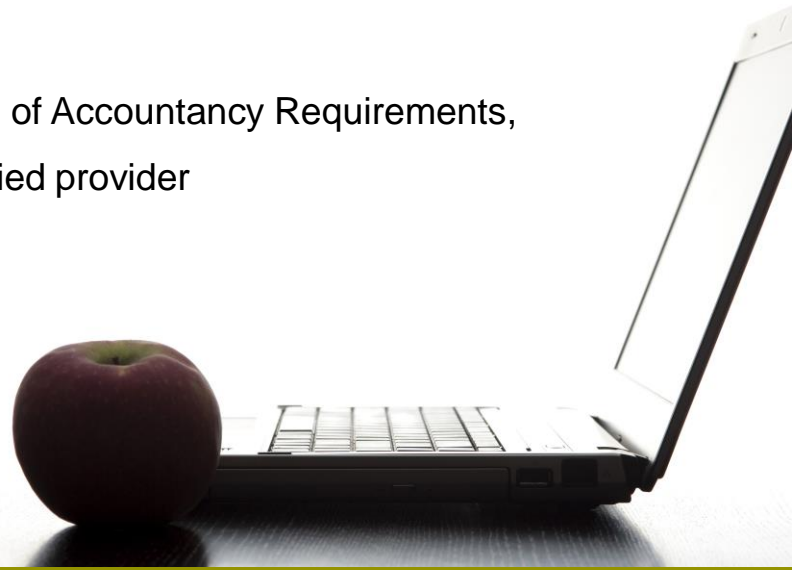
The presentation will begin in a few moments

To qualify for California CE, you must:



- Use a personal computer (no PDAs) and log in with your own information and unique URL
- Be logged into our online software for at least 50 consecutive minutes within the scheduled time frame of the webinar
- Actively respond to at least 75% of the polling questions
- Complete evaluation survey at the end of the webinar

Based on the California Code of Regulations, Board of Accountancy Requirements,
Armanino is **not** a NASBA certified provider



About the Presenters



Dean Quiambao, CPA **Partner**

- 12+ years as an auditor in Armanino's audit department
- Transitioned to "Chief Relationship Builder"
- Helps numerous nonprofits and private schools address their tax, audit and outsourced accounting needs
- Member: National Business Officer's Association (NBOA)
- American Institute of Certified Public Accountants (AICPA)
- California Society of Certified Public Accountants (CalCPA)
- Graduate of the University of California, Davis

About the Presenters



Marilyn Gardner

Board Member, John Muir Health

Project Manager, De La Salle High School

- Nonprofit industry veteran
- 14 years as CFO of Nonprofit
 - Former CFO of De La Salle High School
 - During tenure balance sheet more than doubled
- 10 years on Audit and Compliance Committee
 - Current Member, Audit and Compliance Committee
 - 8 Years as Audit and Compliance Committee Chair
 - Board has approved \$1.4B in capital improvements during tenure on the Board
- Project Manager for De La Salle High School's STREAM Innovation Center
 - 28,000 SF, \$20.5 million Science, Technology, Robotics, Engineering, Arts and Math Center



During today's webinar, participants will:

- Clarify how to help your Board "direct" versus "do"
- Review the importance of the CFO's role in educating the Board on key financial metrics
- Identify what CFOs can do today to start making an impact on their Board tomorrow



Presentation Overview



- I. Board Governance
- II. CFO Impact to Your Nonprofit
- III. Board Impact to Your Nonprofit
- IV. Summary



Board Governance

The Importance of Protecting Your Nonprofit

3 Pillars of Board Governance



Duty of
Care



Duty of
Loyalty



Duty of
Obedience



Represents the Community You Service



Board should be comprised balance of skills/diversity

Skill	Importance	Director 1	Director 2	Director 3	Director 4	Director 5
Risk & Compliance	Medium	3	2	3	3	2
Financial & Audit	Medium	2	1	2	2	3
Strategy	Medium	2	2	3	2	3
Policy Development	Medium	3	3	2	3	2
Technology	Low	1	2	2	1	3
Alignment with Our Mission	High	3	3	3	3	3

Typical vs. Should



What Boards Typically Do

Tell Nonprofits HOW TO execute tasks

HOW TO DO
EVERYTHING.

1.  2. 

What Boards Should Do

Provide Goals:

- Foresight
- Oversight
- Insight

Stop managing the day-to-day



Why?



Your Senior Management should have the skills to lead

CEO/Executive Director

- The right CEO has it figured out
- Manage the Board
- Board will discuss concerns with CEO

CFO

- It's a bit of a struggle...
 - They're loyal to the CEO
 - But you have an obligation to the Board to keep them informed
- If the Board asks you anything that is too deep “into the underwear drawer”, go to the CEO

CFO Impact

How to Better the CFOs Role

Get in the Right Conversations



- Attend all Board meetings
- Meet regularly with the AC/Finance Chair and Chief Compliance/Internal Auditor
- Meet with External Audit Partners at least 3X per year
 - Also critical for the AC chair

Ensure the Board Asks the RIGHT Questions



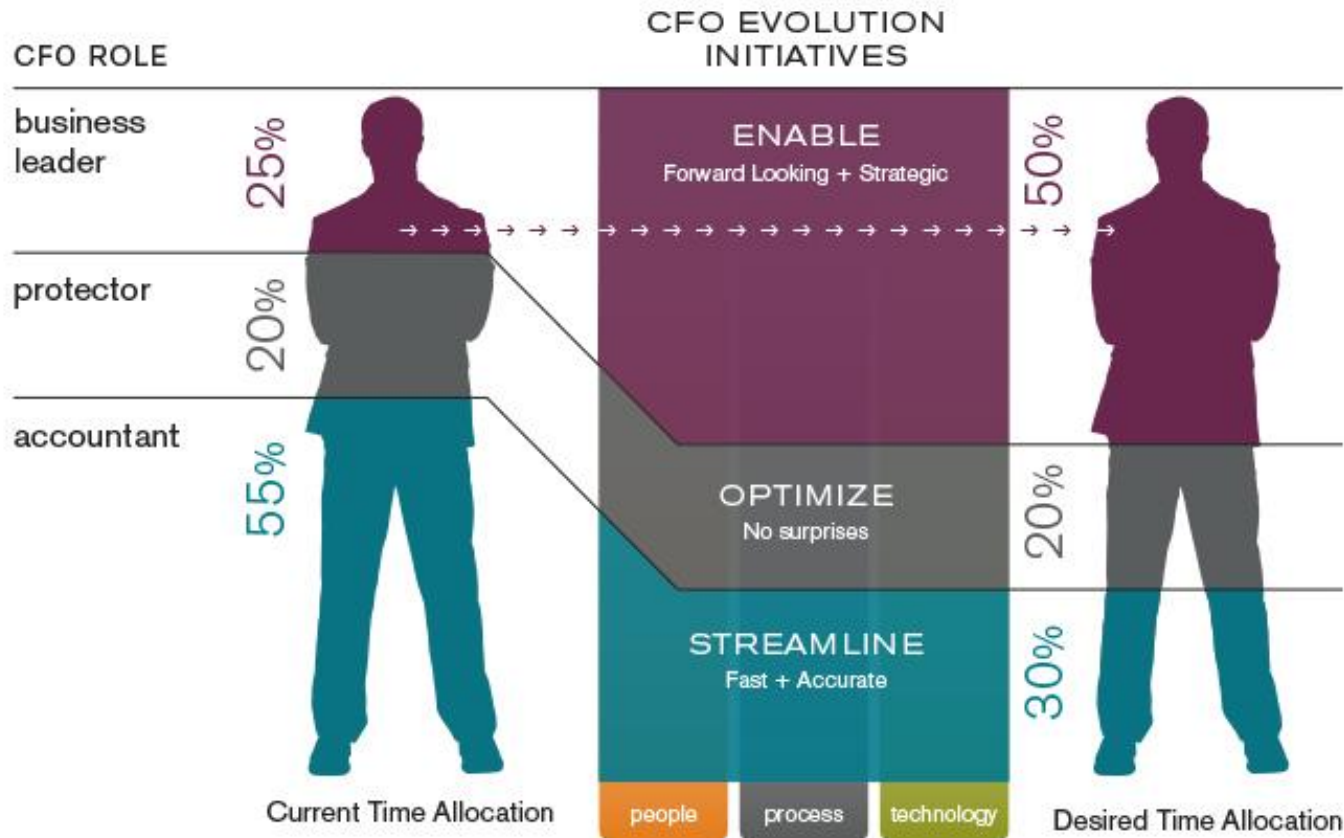
- Status of the audit
 - Timing, Adjustments, etc.
- Pending accounting pronouncements affecting nonprofit's financials and required disclosures
- Concerns about staff capabilities
- Roadblocks



Hire the Right People



- Function of the CFO is changing
- Invest in a great Controller so you can focus less on accounting and more on strategy (CFO Evolution®)



Elevating Your Role as CFO



- Attend regular meeting with Sr. Leadership and the Board/Committees
- Direct yourself to the larger issues they're addressing
 - Not just getting the financial out to the Department Chairs
- Budgeting process should reflect the overall strategy of the school or nonprofit organization



Board Impact

How to Better the Board's Role

Keeping Board Informed – The Basics



- New Board Member Orientation
 - Level setting & overview
- Daily/Weekly email with media monitoring
- Board member education sessions
 - Mini retreats focused on key areas
 - Attend Board Governance sessions from 3rd Parties
- Meet with the CEO if you have questions/concerns

Keeping Board Informed – Hot Topics



- Cybersecurity
- Financial Stability/Meeting Board Objectives
 - Revisit Strategic Plan at Every Board Meeting (Engrained)
- Industry-Specific Compliance



Summary

In Conclusion...



Today, we've discussed:

- How to help your Board "direct" versus "do"
- The importance of the CFO's role in educating the Board on key financial metrics
- What CFOs can do today to start making an impact on their Board tomorrow





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