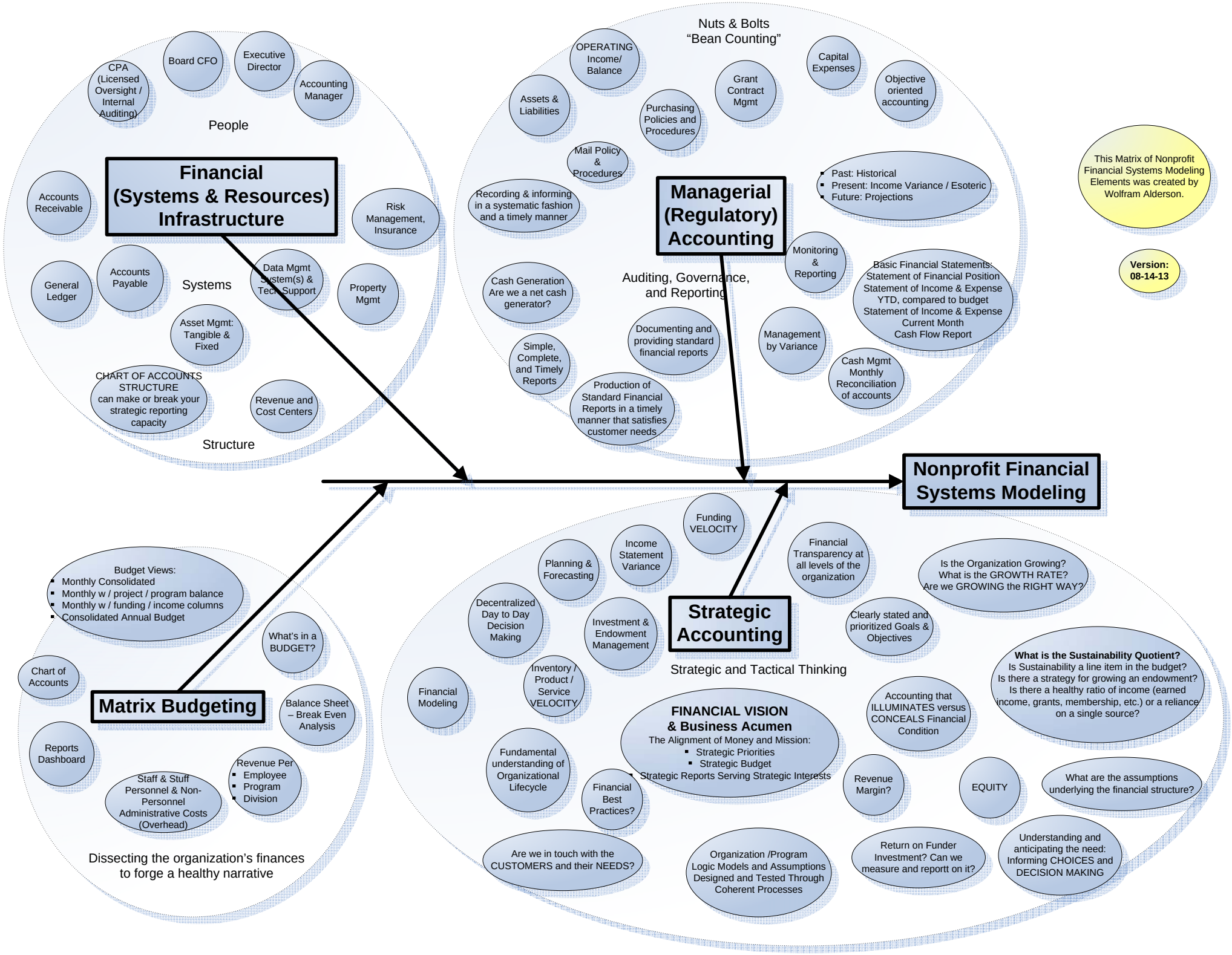
Financial (Systems & Resources) Infrastructure
People
CPA (Licensed Oversight / Internal Auditing)
Board CFO
Executive Director
Accounting Manager
Systems
Accounts Receivable
General Ledger
Accounts Payable
Data Mgmt System(s) & Tech Support
Risk Management, Insurance
Property Mgmt
Asset Mgmt: Tangible & Fixed
Structure
CHART OF ACCOUNTS STRUCTURE can make or break your strategic reporting capacity
Revenue and Cost Centers
Managerial (Regulatory) Accounting
Nuts & Bolts "Bean Counting"
OPERATING Income/ Balance
Capital Expenses
Grant Contract Mgmt
Objective oriented accounting
Assets & Liabilities
Purchasing Policies and Procedures
Mail Policy & Procedures
Recording & informing in a systematic fashion and a timely manner
Past: Historical
Present: Income Variance / Esoteric
Future: Projections
Monitoring & Reporting
Basic Financial Statements: Statement of Financial Position Statement of Income & Expense YTD, compared to budget Statement of Income & Expense Current Month Cash Flow Report
Cash Generation Are we a net cash generator?
Auditing, Governance, and Reporting
Documenting and providing standard financial reports
Management by Variance
Simple, Complete, and Timely Reports
Production of Standard Financial Reports in a timely manner that satisfies customer needs
Cash Mgmt Monthly Reconciliation of accounts
This Matrix of Nonprofit Financial Systems Modeling Elements was created by Wolfram Alderson.
Version: 08-14-13
Nonprofit Financial Systems Modeling
Matrix Budgeting
Budget Views:
Monthly Consolidated
Monthly w / project / program balance
Monthly w / funding / income columns
Consolidated Annual Budget
What's in a BUDGET?
Chart of Accounts
Balance Sheet – Break Even Analysis
Reports Dashboard
Revenue Per
Employee
Program
Division
Staff & Stuff Personnel & Non-Personnel Administrative Costs (Overhead)
Dissecting the organization's finances to forge a healthy narrative
Strategic Accounting
Funding VELOCITY
Income Statement Variance
Planning & Forecasting
Financial Transparency at all levels of the organization
Is the Organization Growing? What is the GROWTH RATE? Are we GROWING the RIGHT WAY?
Decentralized Day to Day Decision Making
Investment & Endowment Management
Clearly stated and prioritized Goals & Objectives
Strategic and Tactical Thinking
What is the Sustainability Quotient? Is Sustainability a line item in the budget? Is there a strategy for growing an endowment? Is there a healthy ratio of income (earned income, grants, membership, etc.) or a reliance on a single source?
Financial Modeling
Inventory / Product / Service VELOCITY
FINANCIAL VISION & Business Acumen
The Alignment of Money and Mission:
Strategic Priorities
Strategic Budget
Strategic Reports Serving Strategic Interests
Accounting that ILLUMINATES versus CONCEALS Financial Condition
Fundamental understanding of Organizational Lifecycle
Financial Best Practices?
Revenue Margin?
EQUITY
What are the assumptions underlying the financial structure?
Are we in touch with the CUSTOMERS and their NEEDS?
Organization /Program Logic Models and Assumptions Designed and Tested Through Coherent Processes
Return on Funder Investment? Can we measure and reportt on it?
Understanding and anticipating the need: Informing CHOICES and DECISION MAKING