



United Way
of Greater St. Louis

MEMBER AGENCY STRATEGIC TRANSITION PLANNING SERIES

Session #2 Overview – Financial Health

June 14, 2018 | 9:00am – 12:00pm | Amy Altholz & Judy Murphy

FINANCIAL HEALTH

Many Board and staff leaders know that financial stability is critical to an agency's welfare and sustainability. However, they are not necessarily adept at understanding the factors to consider when assessing their financial stability, nor indicators that can provide warning signs of instability. In this workshop, presenters will share how to use financial reports to assess an agency's financial stability, as well as best practices to minimize financial risk and enhance long-term financial sustainability.

Target Audience: Board-focused, other audiences are welcome

Learning Objectives:

- Participants will gain insight about tools and factors to consider in assessing agency financial sustainability.
- Attendees will advance their learning about critical indicators of potential instability.
- Participants will better understand best practices associated with managing financial risk.
- Participants will identify/refine key performance metrics to utilize for better monitoring agency financial health.

Key Concepts:

- Financial sustainability benchmarks to consider in a financial review process.
- Warning signs to look for when reviewing an agency's financial statements.
- Financial risk management best practices.
- Financial dashboard structures to facilitate monitoring agency financial health.

Concept Application/Small Group Activity:

Participants will apply knowledge gained about factors, key performance metrics and other resources related to financial assessment to identify/refine critical indicators for better monitoring agency financial performance and sustainability.

Example: Sample analysis, financial ratio calculations and dashboards will be provided.

Racial Equity Lens Application:

Consider budget implications when planning for an agency's financial health – e.g. when resources are scarce, agencies are inclined to reduce agency expenses, particularly in areas of staffing; consider how employees of color may be affected by such reductions and make a commitment to retain these employees.

Key Concepts in Common with Other Sessions:

Session #3/#10: Fund Development; #4: Program Financial Sustainability; #5: Contingency Planning; #11/12: Strategic Alliances.

To Learn More:

Internal Controls for Nonprofits <https://www.councilofnonprofits.org/print/686>

<https://www.claconnect.com/resources/articles/four-terms-every-nonprofit-financial-team-member-must-know>

<http://www.wallacefoundation.org/knowledge-center/resources-for-financial-management/Documents/A-Five-Step-Guide-to-Budget-Development.pdf>

About the Presenters:

Judy Murphy, Chair of RubinBrown's Not-For-Profit Services Group and a Partner in the Assurance Services Group, has 35+ years experience serving nonprofit clients, providing audit, tax and consulting services. She has received many awards and served as Board member, Chair and Trustee of numerous regional organizations. Amy Altholz, Partner-In-Charge of RubinBrown's Not-For-Profit Services Group and a Partner in the Assurance Services Group, has experience with a variety of not-for-profit clients, providing valuable insight into industry best practices. Amy has received industry awards and is an Adjunct Accounting Faculty at Washington University.