



Finance Assessment Project

Over the course of several years, organizations often experience changing needs and continual pressure to streamline support costs. The Fellows Group offers a Finance Assessment project to provide an independent review of the organization's backoffice and support needs and recommend opportunities for improvements, streamlining and savings.

Our Finance Assessment engagement typically includes:

- Interviews with staff and key stakeholders to understand the organization's financial management and related systems needs;
- Review of tools, reports and methods in use
- Creating a process and systems roadmap for finance and administration;
- Recommending a finance operation structure and resource plan;
- Report-out of findings.

Here is a brief description of each of these components:

Assess Needs

We conduct interviews with key stakeholders including executive staff, key program and administrative staff and board members, to understand how your organization operates. Understanding transaction volume and methods for revenues and expenses (how money comes in and goes out), payroll, banking and insurance needs, and program requirements (grant tracking and reporting; contract invoicing) is essential to a good start. We also want to understand your team's experience in financial and operational best practices, and where the current financial and system pain points are.

Review Current Tools, Reports and Methods

If your organization is already using one or more systems we will review the set-up of those systems to ensure alignment with best practices, including current reporting requirements. We review the reports and exports currently in use, and gather feedback from your team about how those meet your needs or could be improved.

Create Process and Systems Roadmap

Based on what we learn in the assessment interviews, we create a process and systems roadmap for the finance environment: what systems will be used for all the basic financial management functions of the organization and how they will interact with each other, with your program and fundraising plans, and with the people inside and outside the organization. This typically includes



common functions and tools including revenue and expense tracking (general ledger), invoice and payables management, payroll, time tracking if needed, and credit card/expense management. We will recommend an implementation plan.

Finance Operation Structure and Resource Plan

Based on the needs of the organization and the process and systems roadmap, and taking into account the organization's current staff and resources, we will recommend how to staff the finance office for both business and financial efficiencies. This may include internal staff, outsourced staff/services or a combination of both. We will estimate the hours needed on a weekly and monthly basis to support your organization's needs. We also identify the one-time, monthly and/or other ongoing costs of related recommended tools.

Report and Present Findings

We present our Finance Assessment findings and recommendations to leadership, staff and board members as the conclusion of the project.

Timing and Cost

We recommend a 60-90 day timeline for the Finance Assessment project, and we quote this as a fixed-price project, generally \$5,000. The pricing is generally a function of:

- Whether the current financial operation is in unsupported/outdated software
- Complexity of revenue and expense transactions (types and volume of transactions)
- Whether a major database review/selection is part of the project (such as a CRM analysis).

Finance Project Implementations

To the extent that there are changes recommended, we are often engaged to implement the recommendations. The implementation project is often concurrent with providing outsource finance office service to the organization. The implementation typically includes:

Set Up (or Modify) Financial and Other Systems Tools

Once the plan is agreed upon, we assist the organization in transition from the current environment to the new environment. This may include modifications to the structure of the general ledger, payroll and benefits setup, assisting with insurance and banking needs, and implementing other integrated tools. This may also include mitigation where needed (e.g, corrections prior to migration).



Design Reporting Packages for Staff and Board

Using the information collected during the Assess step, we design financial reports that will be used to inform staff, the Finance Committee and the Board, as well as any grant-related reports that are needed.

Document Procedures

Nonprofits should have clearly documented financial policies and procedures. We create a Finance Operations Manual that includes the tools, processes and procedures for your organization.

Training

We provide training for your team on how the finance office and tools work, including how to get bills paid, how to get reimbursed for expenses, and how the payroll system and process will work. Also included is a board-level training, “Nuts and Bolts of Nonprofit Financial Management,” which is designed for executive directors and board members to understand key documents and concepts of financial oversight and fiduciary responsibility.