

ASSESSING & STRENGTHENING YOUR FINANCE TEAM

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INTRODUCTIONS



Rhonda
Devan

Outsourced
CFO/Controller



Kurt
Kennel

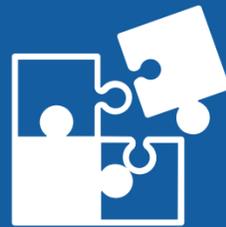
Outsourced
CFO/Controller



Chris
Sacco

Outsourced
Budget/Program
Analyst

ABOUT US



OUTSOURCED SOLUTION

Reduce costs, improve accuracy, ensure compliance, and free up internal resources to focus on core operations and program mission.



PARTNERSHIP

Strategic strategist, financial and compliance clarity, systematic transparency, process scalability, and accountability.



OVERVIEW

01

About Us

02

Goals

03

Assessment

04

Results

05

Strategy

06

Options





COMMON FINANCE TEAM CHALLENGES

- Limited capacity
- High turnover
- Heavy reliance on external auditors
- Complex compliance requirements
- Lack of technical expertise in-house
- Outdated systems and processes
- Limited use of technology

STATISTICS

75%



of nonprofits reported having current job vacancies, indicating a pervasive staffing shortage across the sector

National Council of Nonprofits

95%



of nonprofit leaders expressed concern about staff burnout, highlighting the strain on existing personnel and challenges in retaining qualified staff.

LinkedIn for Nonprofits



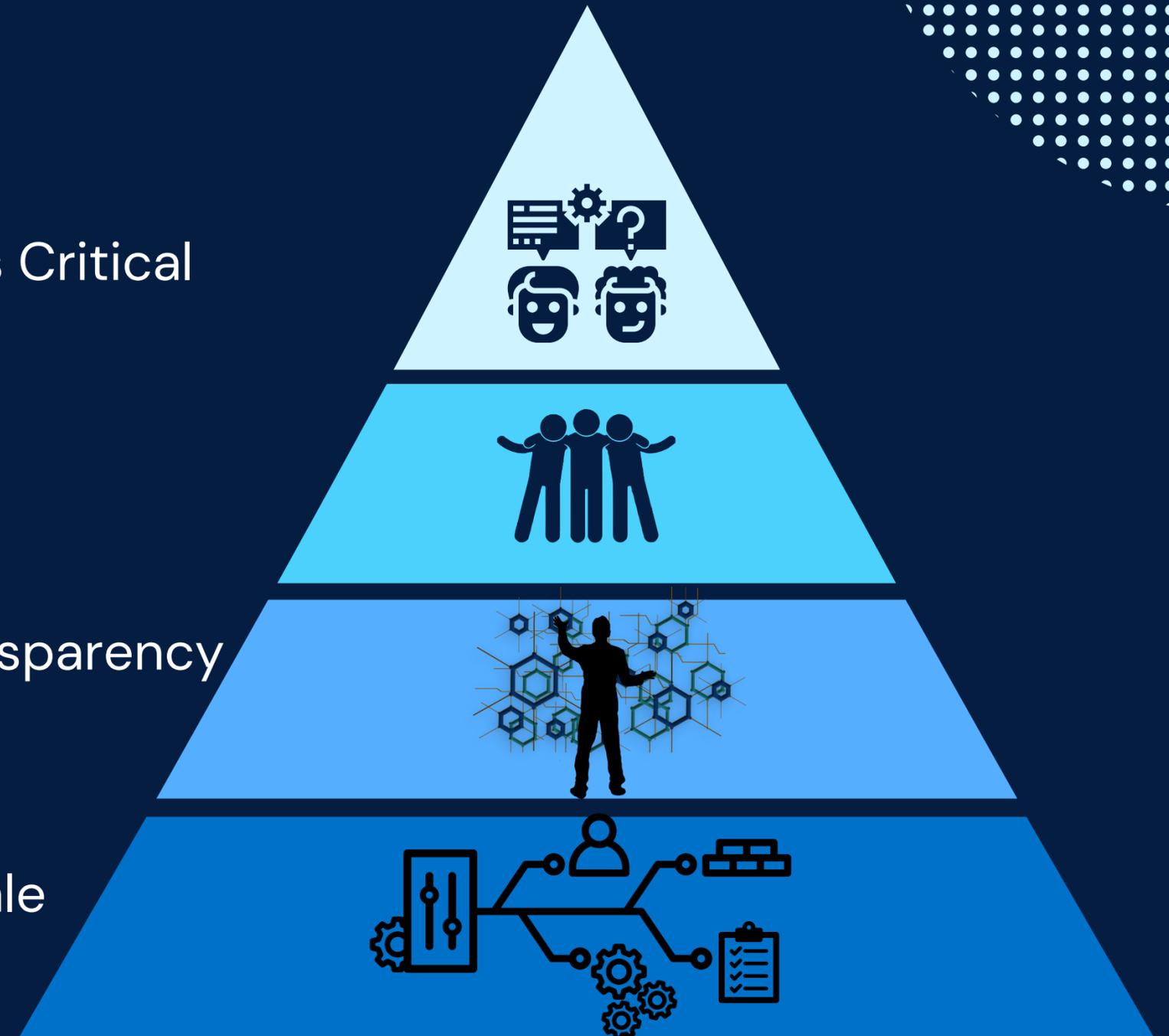
BUILDING A STRONG FINANCE TEAM

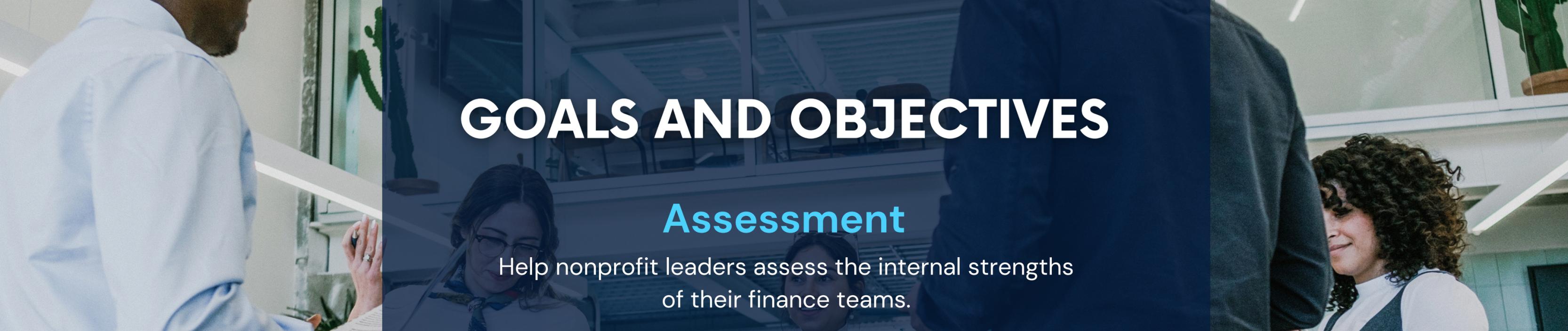
01 Why a Strong Finance Team is Critical

02 Right People & Structure

03 Right Systems to Create Transparency

04 Right Processes to Enable Scale





GOALS AND OBJECTIVES

Assessment

Help nonprofit leaders assess the internal strengths of their finance teams.

Analyze Results

Guide them in using the assessment results to develop an action plan.

Strategies

Explore various strategies, including outsourcing, to build a high-functioning nonprofit finance team.

WELCOME to Helping Hands Unlimited

Mission: Providing unlimited help, with almost unlimited chaos.

Size: 25 staff, 150 volunteers

Annual Budget: \$2.5 million

Key Programs: Food pantry
Youth mentorship
Disaster relief



DISTRIBUTION OF SELF-ASSESSMENT



Helping Hands Unlimited



Self Assessment Tool

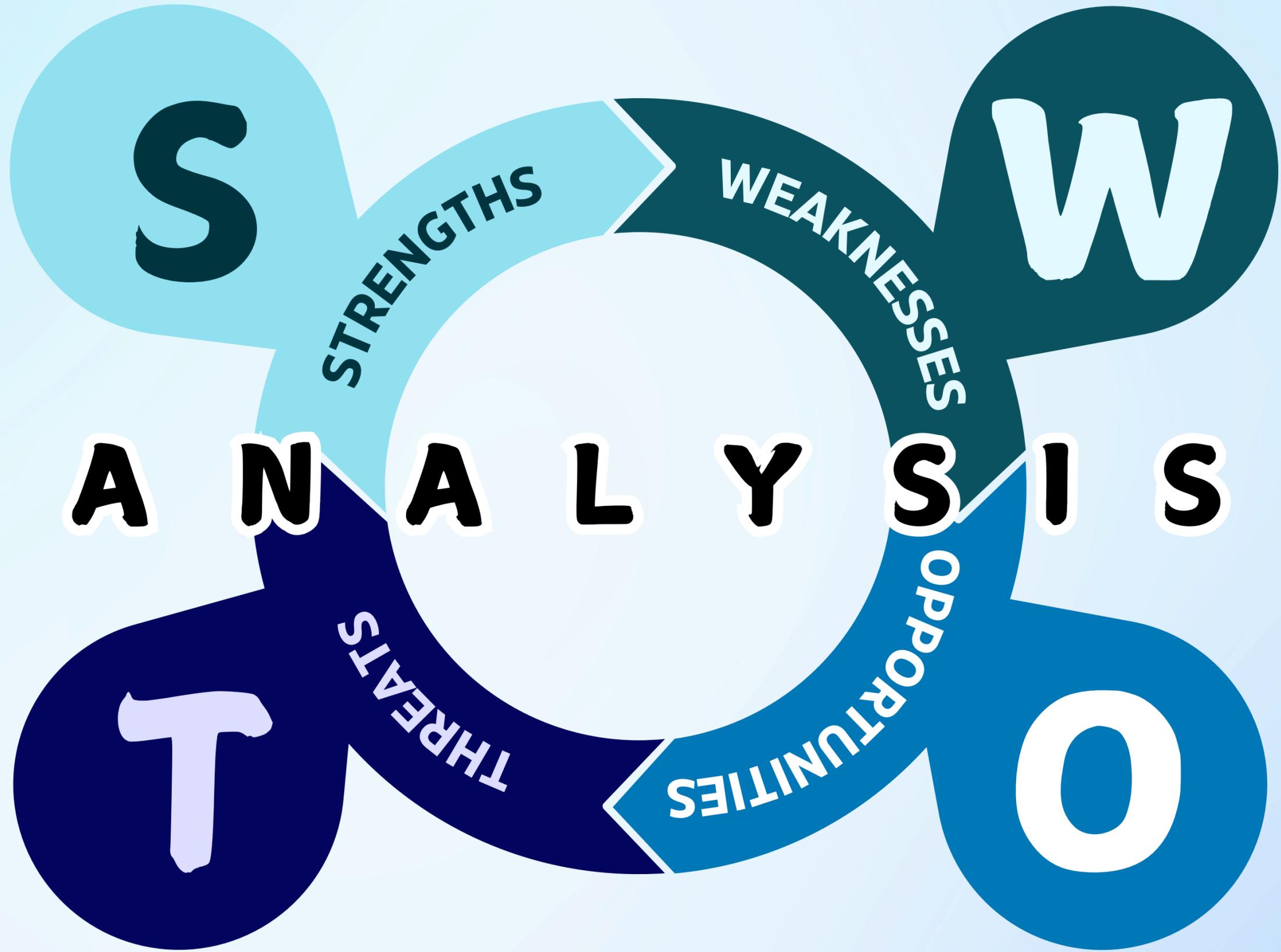


Overview

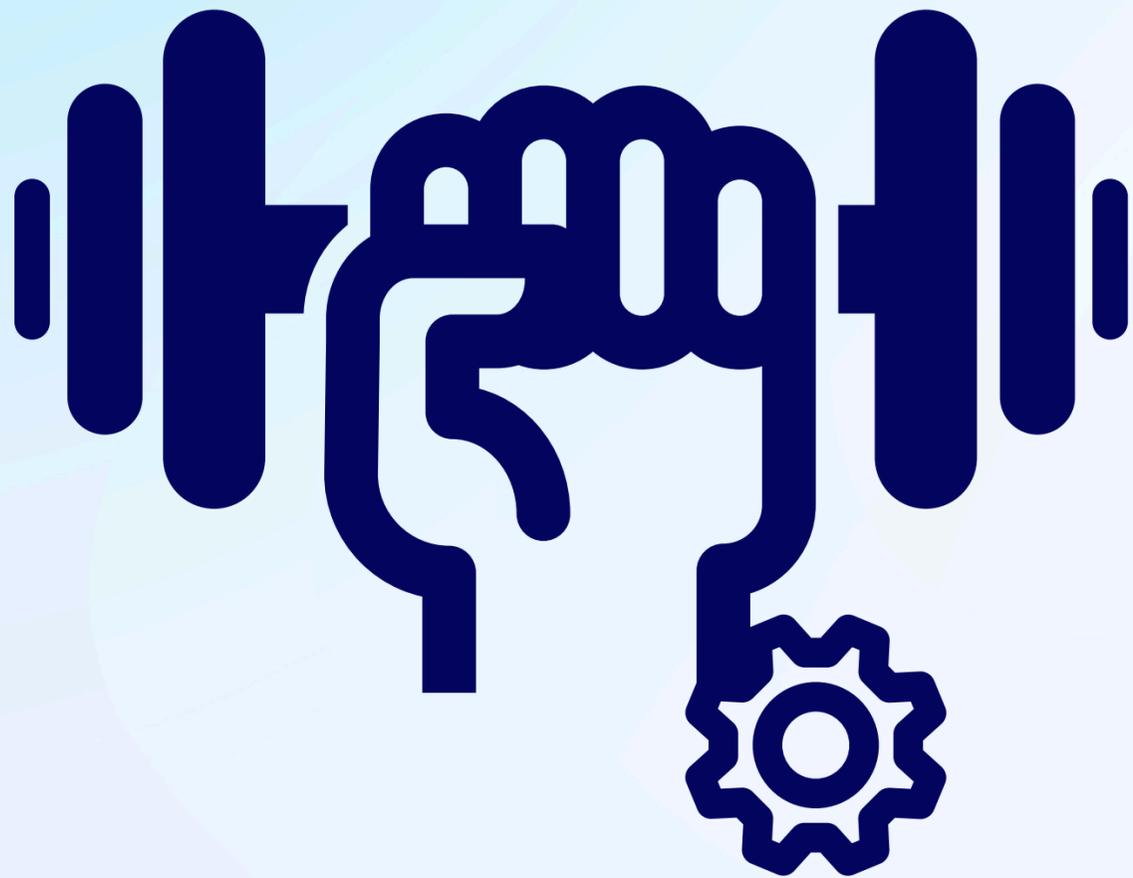
Interpreting the results

- Analyze the scores
- Identify strengths, weaknesses, and gaps
- Common themes



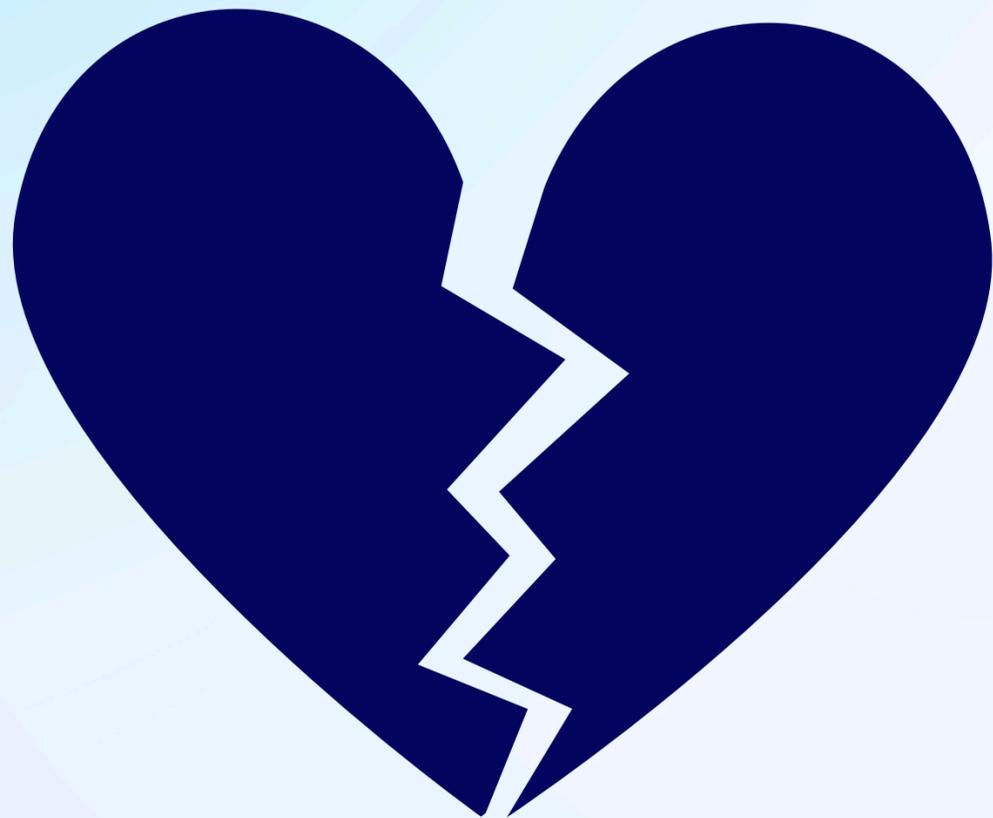


STRENGTHS



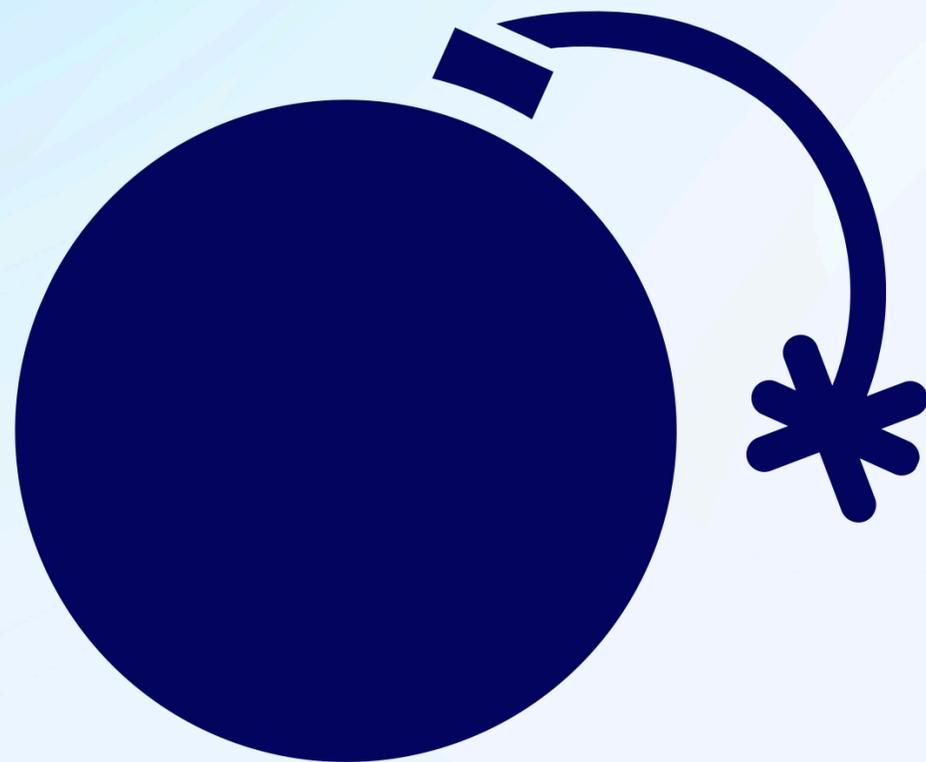
- **Timely Budgeting & Reporting:** Organizational budgets are prepared and approved well in advance, and regular financial reports are shared with leadership, the board, and budget holders.
- **Donor Compliance:** Donor funds are strictly segregated and reported accurately and on time. Procurement staff are well-versed in donor-specific rules.
- **Established Systems & Processes:** Basic systems like QuickBooks, monthly cash reconciliations, and structured grant tracking are in place.
- **Board Oversight:** The board formally approves the overall budget, and named budget holders have clear accountability.
- **Physical Controls & Statutory Compliance:** Strong physical asset controls, payroll compliance, and consistent annual audits demonstrate foundational control.

WEAKNESSES



- **Poor Integration Between Finance & Programs:** Program staff are not involved in budgeting or reporting, leading to unrealistic budgets and misaligned narratives in grant reporting.
- **Weak Financial Infrastructure:** Chart of Accounts is misaligned with operations; reporting lacks program/grant breakdowns; key balance sheet accounts are not reconciled monthly.
- **Under-resourced Finance Team:** Staff are stretched thin, with critical knowledge bottlenecked in a few individuals and little time for analysis or strategic work.
- **Inconsistent Internal Controls:** Segregation of duties is poor, dual approval is symbolic, and system access controls are ineffective.
- **Outdated Practices:** Narrative explanations and financial dashboards are underused, and audits are consistently delayed.

THREATS



- **Loss of Key Personnel:** Over-reliance on a few staff members presents a significant institutional knowledge and operational risk.
- **Funding Delays or Reductions:** Inconsistent reporting and audit lags may erode funder trust and jeopardize future grants.
- **Operational Disruptions:** Chronic underfunding of IT, staff development, and internal controls could affect long-term sustainability and performance.
- **Audit & Compliance Risk:** Reliance on auditors for year-end cleanup and misalignment between financial/narrative data could lead to flagged findings or questioned costs.
- **Stakeholder Disengagement:** If financial reports remain inaccessible or irrelevant to key audiences, trust and collaboration may erode.

OPPORTUNITIES



- **Enhance Strategic Finance Capacity:** Cross-train staff, automate manual processes, and invest in upskilling to shift the team from reactive to strategic.
- **Improve Financial Storytelling:** Align financial and program reporting, use dashboards, and provide stakeholders with narrative-rich updates to improve engagement and transparency.
- **Strengthen Internal Controls:** Implement basic segregation practices, formalize oversight mechanisms, and restructure roles to reduce fraud risk.
- **Maximize Donor Confidence:** Leverage donor compliance strengths, ensure consistency in reporting, and expand the use of restricted funds to support core operations.
- **Upgrade Financial Systems:** Introduce dimensional reporting, update the Chart of Accounts, and enforce a robust monthly close process.

ACTION PLAN

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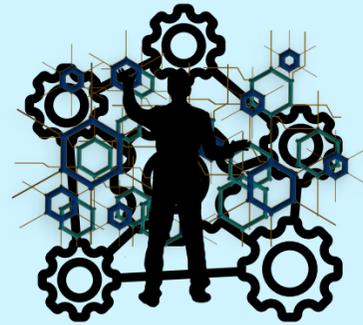
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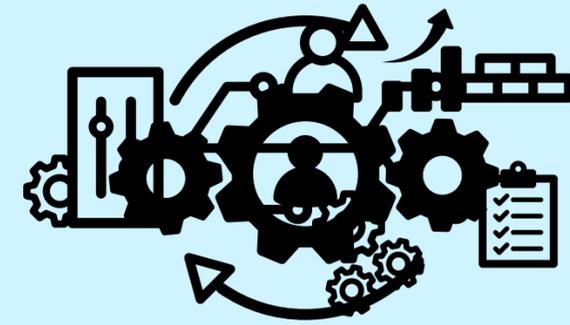
DEVELOP AN ACTION PLAN



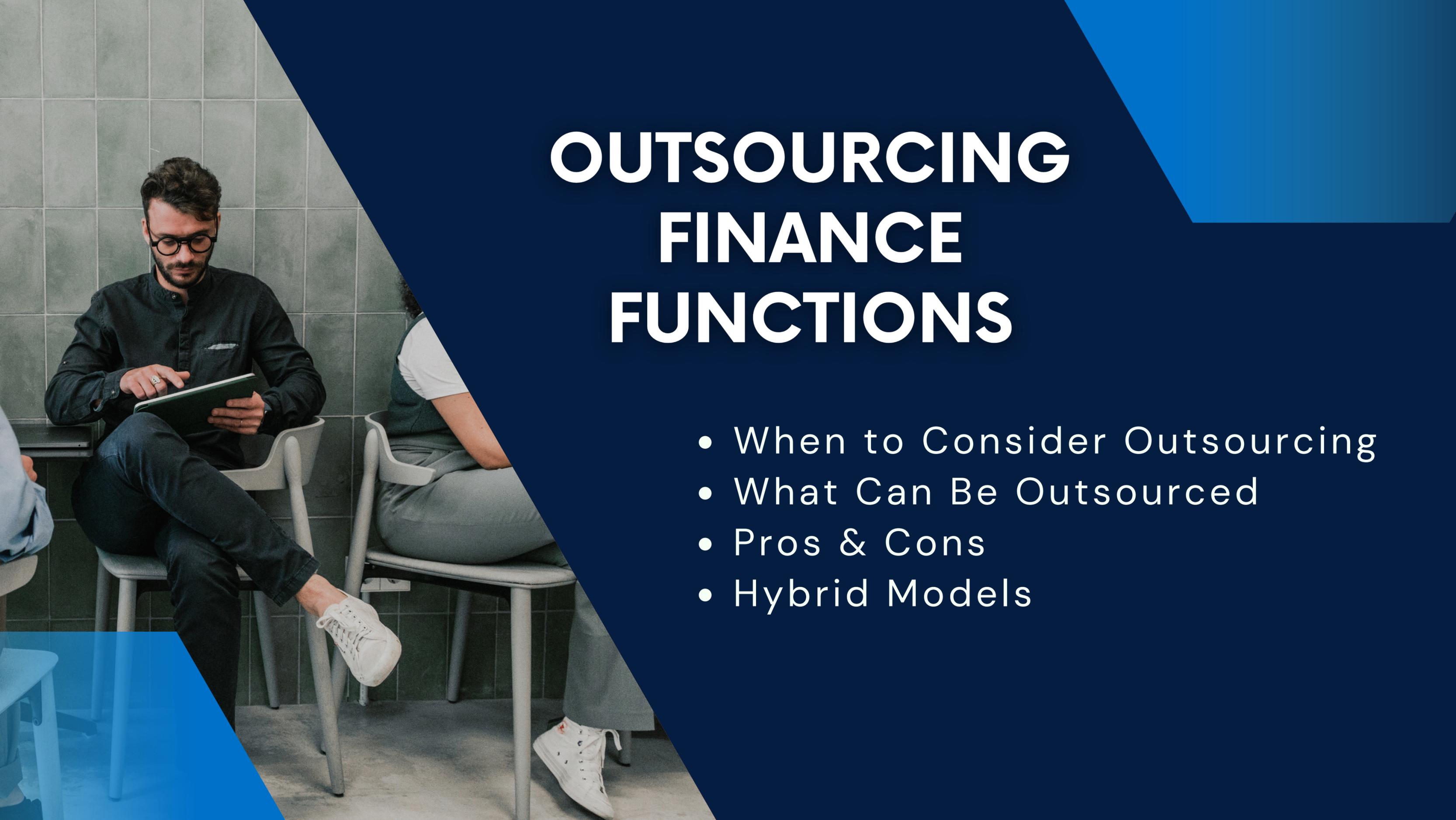
Right People & Structure



Right Systems and
training



Right Processes
and technology
solutions



OUTSOURCING FINANCE FUNCTIONS

- When to Consider Outsourcing
- What Can Be Outsourced
- Pros & Cons
- Hybrid Models



Q&A AND GROUP DISCUSSION



Recap key points



Provide additional resources



Encourage follow-up actions and networking

Thank you

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