



Financial Management

Financial sustainability is of the utmost importance to non-profit groups who must raise every dollar they spend on programs and salaries. In these uncertain economic times, it becomes even more important to understand and implement strong financial management policies.

Services We Offer

McAlpine Consulting for Growth, LLC starts with an assessment of the current financial stability of an organization, and then develops a unique technical assistance plan to improve the financial management of the non-profit organization.

Phase 1 – Financial Systems Assessment

Run financial performance indicators based on 5 years of audits

Review results of financial performance indicators with Executive Director and other Staff/Board members

Discuss the organizations' financial strengths and areas of concern

Discuss the needs of the organization related to finances and develop a unique technical assistance plan

Phase 2 - Technical Assistance (may include any/all of the following):

- (Please note: the technical assistance list below is not comprehensive, but a sampling of what McAlpine Consulting can offer.)
- **Understanding your Balance Sheet (Statement of Financial Position)**
 - What is the Bottom Line?
 - Assets/Liabilities/Net Assets (Surplus/Deficit)—composition, handling deferred revenue
 - Liquidity challenges (Cash, Working Capital, Total Net Assets, Liquid Net Assets)
 - How much cash should you have on-hand?
 - Debts/Line of Credit
 - Reserves –Different types of reserves, importance of having them, and how to start building one
 - Investments—Does the org. have any? If so, how are they performing? If not, should they think about getting them?
 - Developing a strong relationship with bank and banker



Services We Offer (continued)

- **Cash Flow**
 - How often does the organization currently project and monitor cash flow? Best practice for how often it should be happening, and tools to help.
 - If there is not enough cash on hand to pay for operating expenses, what can the org do? (i.e. strategies to deal with cash flow shortages)
 - Difference between cash shortage (i.e. no money) and cash flow issues (timing of income and expenses)

- **Planning**
 - What revenues currently received by the org are at risk of decreasing or going away?
 - SWOT Analysis of programs (Strengths, Weaknesses, Opportunities, Threats)
 - Contingency plans–re-forecasting budgets
 - Best case/probable/worse case scenarios (conservative vs. optimistic budget)
 - Brainstorming cost reduction strategies/cost containment strategies

- **Communication and Organizational Response**
 - How will the organization handle it if there is an increased need for their services due to a recession?
 - Communicating the budget to the Board and staff
 - Board fiduciary responsibilities–setting written policies, decision-making and oversight
 - Fundraising messages
 - Consider collaborations/alliances if financial position is not strong
 - Long-term needs of the organization



Costs

McAlpine Consulting costs vary depending on the amount of work being asked of us. Please contact us directly at consulting@lmc Alpine.com or 773-728-0271 so that we may develop a proposal tailored to your needs.

References

McAlpine Consulting has worked with many clients on financial management. Please contact us for a list of references.



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