

BPM

The Nonprofit's Guide to Greater Mission Impact Through Modern Financial Management



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The time has come for nonprofits to take full advantage of modern financial management systems. By centralizing and simplifying data management, business processes and reporting, your employees can spend less time on administrative tasks and more time building a stronger, more effective organization.

Modern, cloud-based financial management solutions help nonprofits like yours manage spending and track outcomes more accurately. They are delivering timely, relevant information to the people who need to make decisions, and they are tracking metrics to measure outcomes and report transparently.

In this eBook, we will show you how your nonprofit can expedite more progress on your mission through better financial management. We will look at the specific benefits your organization can expect to achieve with improved financial visibility and control. Read on to see how you can make a greater fiscal impact. Watch for these icons in the sidebars for specific benefits your nonprofit can realize.



Associations



Membership Organizations



Human Service Organizations



Philanthropic Organizations

Proactively Manage Funds, Grants and Mission Initiatives With Deeper Insights

As your nonprofit grows, the complexity of financial management increases exponentially. Additional locations, projects and programs can quickly overwhelm basic accounting package functions, meaning more spreadsheets and disconnected information.

A modern financial management system centralizes data, allowing you to track program costs accurately, allocate expenses efficiently and create reports easily. With better visibility, key personnel can identify problems early and take corrective action. Your leadership team and board of directors can direct more resources to successful programs and scale back when results are weak.

Track Costs Accurately

An integrated financial management system tracks expenses across departments, programs and timelines. With timely budget-to-actual reporting and spend management controls, key personnel can work proactively to control operations and improve outcomes.

Monitor Outcomes

Through a multi-dimensional general ledger, your operational and financial team will be able to analyze key relevant information from any perspective. You can provide reporting to both internal and external stakeholders allowing them to continuously monitor performance and outcomes.

Use Dashboards to Simplify

Role-based dashboards provide each individual with the information relevant to their work. Concise graphic displays allow managers to focus on key metrics with the ability to drill into the detail.

Insights in Action



Report and compare budget to actuals on any dimension within the system in real time and quickly take corrective measures.



Track all costs associated with an educational program and determine whether fees need to be increased.



Automate allocations to one or more fund sources by tracking time and expenses at the employee, task or program level.



Provide detailed reports on financial data and impact metrics for each program—without relying on complex spread sheets.



Build Credibility With Donors and Stakeholders Through Transparency

Donors and stakeholders expect nonprofit organizations to be managed efficiently, with full transparency into how money is spent and what outcomes are achieved. Outdated accounting and reporting processes require long hours from bookkeeping staff, who likely have to analyze and allocate costs in spreadsheets. An integrated financial management system that allows you to track expenses across departments, programs and timelines provides the transparency and compliance you need to meet donor expectations.

Use Dimensions to Automate Tracking

Dimensions capture the business context of transactions to support automated allocations and tie costs to one or more sources of funds. Using dimensions, your organization can assign costs to funds and grants automatically.

Create Reports Funders Require

A financial management system that supports a multi-dimensional general ledger provides the flexibility to create the custom reports that funders require. You can analyze programs and budgets from any perspective and provide instant visibility to key employees and stakeholders.

Report on Outcomes

Through dimensional entities, your organization can connect financial and non-financial data to demonstrate relationships between funding and outcomes. It can also provide reports on how money is spent and if those expenses are supporting your organization's mission.

Transparency in Action



Provide stakeholders with detailed reports on the programs supported by membership dues.



Track spending on each conference and educational program to ensure costs are in line with resource investments.



Monitor your organization's budget using role-based dashboards to ensure proper fund administration and spending.



Provide the Board timely, easy-to-understand reports that connect uses of funds with the outcomes delivered.



Improve Operations Through Automated Allocations and Workflows

For nonprofit organizations, accounting is often very complex. For associations with annual dues, revenue recognition is usually managed manually through spreadsheets. For the many organizations with funding from a variety of sources, expense tracking is complicated and allocations are time-consuming. By using accounting software that automates allocations and workflows, your finance team can focus on more important work.

Manage Growing Complexity

As your nonprofit organization grows, so do the complexities of your financial management and business processes. Through automation, your current staff can manage higher transaction volumes by reducing manual processes like data entry and sending reminder emails to approve budgets or submit expenses.

Increase Internal Controls

Thorough internal controls are essential to demonstrating your commitment to use funds appropriately. Automatic GAAP-compliant audit trails maintain high standards of internal control without creating extra work for employees.

Accelerate Approvals

For organizations spread across offices and geographies, obtaining approvals for expenditures, budgets and other reviews can be a painful process. Automated reminders and alerts can help busy managers act without the accounting department's help.

Automation in Action



Decouple billing schedules from revenue recognition with automated revenue management.



Support payment programs that suit donor and member preferences.



Tie time and expenses at the employee, task or program level back to one or more sources of funds.



Accelerate the budget process through automated workflows that remind managers to review, comment and approve proposed budgets.



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Support Productivity Anywhere Through Digital Mobility

Your employees expect your organization's software to be modern, easy and connected. They expect the flexibility to work from home and the ability to stay productive when they are traveling. A modern, cloud-based business management solution will allow your nonprofit to support secure access and promote day-to-day productivity for all workers using smartphones and tablets.

Reduce Administrative Burdens

Nonprofit employees want to focus on meaningful work—not administrative tasks. Entering expenses, accessing data on program budgets or updating project status should all be easily completed on a mobile device.

Support Collaboration

Create a sense of community, even when your team works in different offices. Business solutions built on cloud technologies encourage collaboration, so your team can deliver on the mission anywhere their work takes them.

Deliver Data Anywhere, Anytime

Since your staff isn't confined to the office anymore, neither should the information they need to do their work. Give employees the data they need to make decisions and complete their tasks, no matter where their project takes them.

Mobility in Action



Share timely information with leadership to support decisions based on complete information.



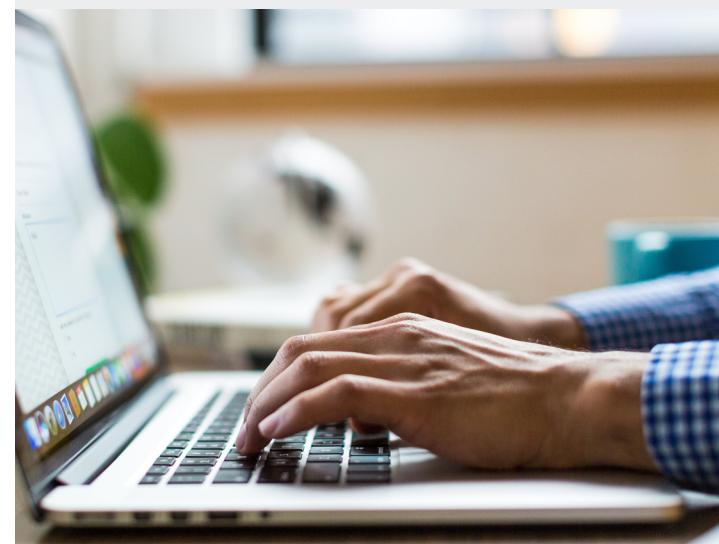
Keep key employees connected to the data they need during conferences, training and membership activities.



Allow remote workers to enter time and expenses through their mobile device and reduce administrative burdens.



Give program managers the information they need with dashboards and reports to make well-founded decisions from the field.



Grow the Organization Efficiently

The growth of your nonprofit organization will bring new challenges to your key finance and accounting processes, like managing more vendors, performing multi-entity consolidations and providing reports to a growing number of staff. If your nonprofit is dependent on separate, outdated systems, your accounting team won't be able to keep pace.

More Work Without Adding People

Most nonprofit bookkeepers and accountants spend far too much time working in spreadsheets—manually tracking funds, grants and allocations. A modern, integrated financial management system will automate and streamline accounting processes so your team can handle more transactions and deliver more targeted reporting.

Monitor Key Metrics

To keep the organization on track, you need to measure key metrics—like spending per employee—to ensure funds are being used efficiently and driving progress towards achieving the mission. A centralized information system that supports well-defined metrics will monitor performance at every level of the organization.

Connect Cloud-Based Systems

Cloud-based business management systems will connect you to productivity tools, like email and document storage, which will help your organization break down departmental barriers to work as one team.

Efficiency in Action



Take advantage of purchasing efficiencies with centralized vendor management tools.



Make it easier for your members to interact with the organization by breaking down departmental barriers.



Simplify reporting so your finance team can focus on analyzing trends by location, service area or practice.



Streamline expense tracking to better monitor performance and outcome metrics.



Focus on Your Mission Instead of Backoffice Administrative Tasks

When employees spend their time entering data into different systems, digging for program information in spreadsheets and filling out paper forms, they can't focus on achieving the mission of the organization. When your accounting team is spending their time maintaining those spreadsheets, they don't have bandwidth to analyze the data—which would provide more insight to guide decisions that would improve the organization.

Minimize Data Entry and Spreadsheets

Free up employees for more productive work by providing a modern financial management system that connects data across the organization. With automated workflows, business processes happen behind the scenes without spreadsheets or manual processes.

Simplify Audits

Preparing for, and supporting, an audit can divert the attention of the accounting team from important work for weeks. By connecting data, you can streamline the auditing process and support the validation that funders expect.

Manage Across Functions

From fundraising to membership management and payroll, your nonprofit needs to coordinate activities across functions. Integration of your financial and other key systems allows you to manage the organization as a whole—tracking grants, budgets, payroll, expenses, requisitions, purchases and disbursements seamlessly.

Focus in Action



Provide membership with feedback on the specific outcomes resulting from their support through data analysis.



Replace the spreadsheets that track conference costs with automated tagging to make reporting a snap.



Reduce data entry for employees with connected systems so they can spend more time on the mission.



Track program costs accurately, allocate expenses efficiently and create reports easily through dimensional tagging.



Dedicated to Success for Your Nonprofit

When BPM established its Nonprofit Industry Group over three decades ago, one of our founding goals was to make a significant difference in the way nonprofits are served by those in our industry. With their tight budgets and limited staff, nonprofits need better finance solutions.

Our group consists of over 60 professionals who employ a full-service approach to accounting for nonprofits. We assist with auditing and tax preparation, consulting, outsourcing, technology and investment consulting-areas where changes occur frequently and up-to-date information is key to making decisions.

Experience to Improve Business Processes

We understand the unique operational and financial challenges faced by your nonprofit. With a strong commitment to the community, we serve on many boards and help hundreds of nonprofit organizations. This firsthand experience allows BPM to offer nonprofits the most value and the best service available in the marketplace today.

We are certified to support a full range of software and accounting solutions and our services are designed to complement and complete your internal accounting and administrative needs. We provide implementation, training and support to ensure you are running as smoothly as possible.

A number of our professionals hold AICPA Not-For-Profit Certifications, providing us with the skill sets required to serve a nonprofit's specific financial needs. As a member of the AICPA's Governmental Audit Quality Center (GAQC), we support the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services.

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