

Financial Leadership



Defining Financial Leadership

Financial Departments:

Are they a black hole of resources and a bottleneck?



Or is it an enabler?



Financial Leadership vs Financial Management

Important distinction – Financial leadership and Financial Management

Leadership: Guiding a nonprofit to sustainability



Management: collecting financial data, producing financial reports and resolving near-term financial issues



Delivering Value

Delivering Intelligence

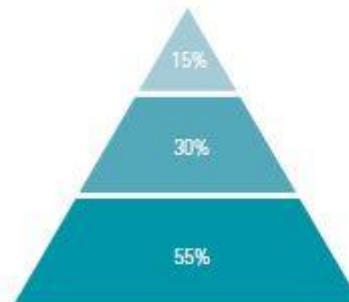
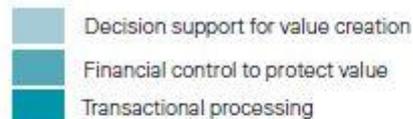
What is Value?

Value is as unique as the Organization itself

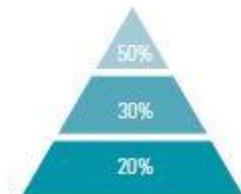
Value comes from providing a finance service that better enables the Organization To achieve its objectives

- Financial reports – who uses them
- Leveraging technology
- Who had input
- Who is monitoring them?

How the Finance model has to evolve to address these challenges



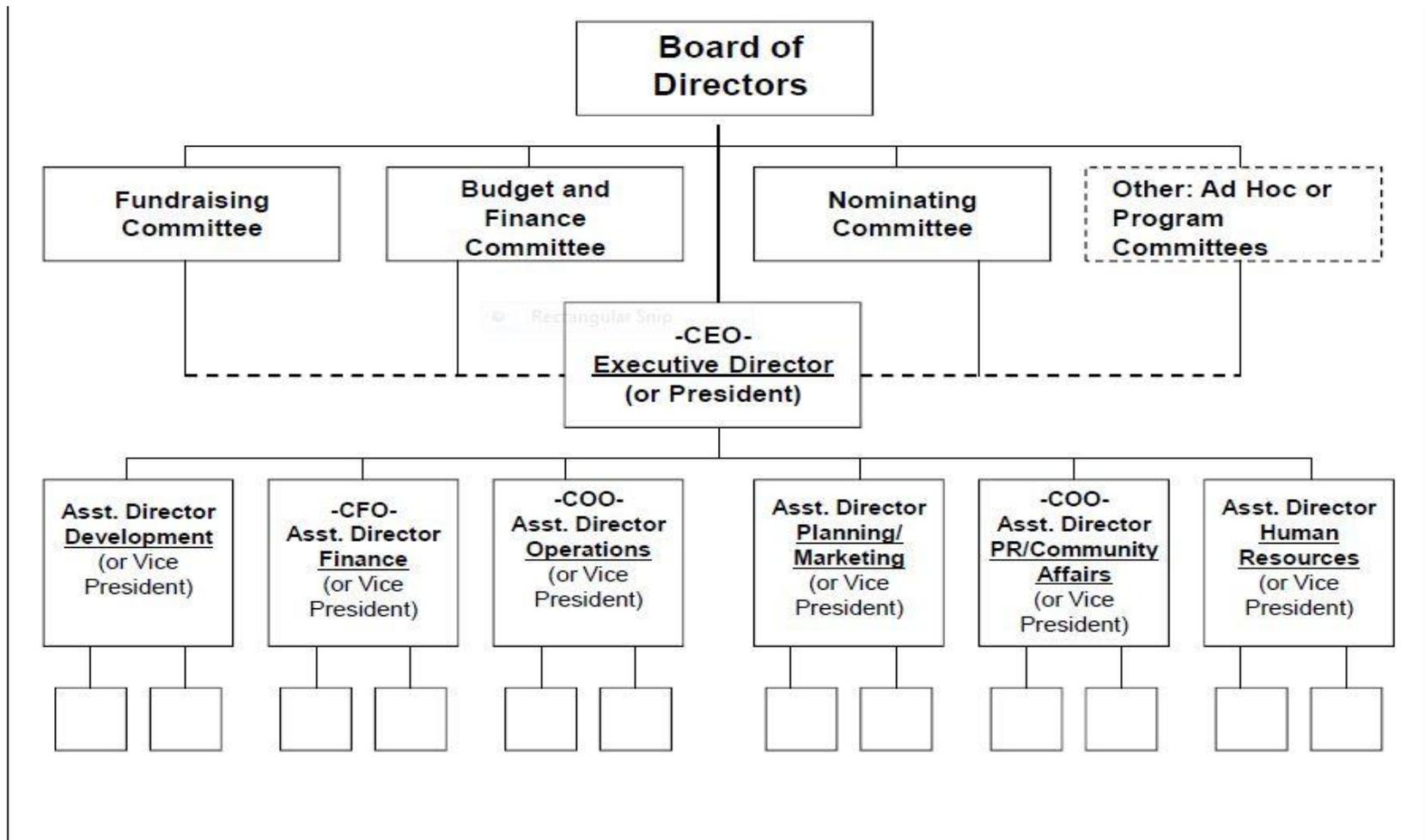
Today



Cost of Finance could be reduced by up to 45%



Traditional Nonprofit Organizational Structure



Who is exactly the financial leader here?

Roles within an nonprofit

Board

- Ensure adequate resources
- Approve annual budget
- Request annual audit



Treasurer – Finance Committee

- Provide financial oversight
- Develop budget and approve
- Monitor adherence
- Set long term financial goals
- i.e. working capital cash reserve – fund to replace equipment



Executive Director

- Choose and supervise CFO
- Present financials to Board
- Input on final budget



CFO

- Oversee financial systems within the Organization
- Assist in establishing budget – goals
- Engage departments within the Organization
- Manage cash flow and forecasting
- Manage and track performance

Financial Services

What does financial leadership look like?

New Technology Benefits



Centralized and personalized dashboards

Rating Agencies

where do they fit in??

Evaluators



What are they looking at?
How are they measuring our performance?
What should we do to go up in rank?

Top Ten Lists

10 Most Followed Charities

10 Super-Sized Charities

10 Charities Expanding in a Hurry

10 Most Frequently Viewed Charities

10 Charities Routinely in the Red

10 Highly Rated Charities Relying on Private Contributions

10 of the Best Charities Everyone's Heard Of

CharityWatch Hall of Shame

CharityWatch Hall of Shame presents the personalities ...



How Do We Rate Charities' Financial Health?