

Along the way we include tips on how to use the budget as a rhetorical device to frame your funding proposal in ways that reinforce the vitality and potential of your organization. Finally, we pass along lessons learned, some tools for financial management and assessment and resources for further inquiry.

Presented correctly, your financial statements can provide a compelling argument for community support. Spinning financial information in a positive light isn't accounting smoke and mirrors. It's simply good business. ■

The Balance Sheet

The *Statement of Financial Position*, commonly called the Balance Sheet, is a snapshot of the financial position of an organization at a particular point in time.

What it doesn't show is perhaps equally important to what it does:

- It does not show how much money was raised through grants, fees or donations.
- It does not show how much money was spent on programs or payroll.
- It does not lend itself to comparison against budgeted numbers.

In fact, it shows so little about where the money comes from and where it goes (seemingly the most important pieces of financial information for managing an organization) one may ask, "So, what good is it anyway?"

The answer: *It speaks volumes if you know how to read it.* ■

Sum of the Parts

**Total Assets =
Total Liabilities + Net Assets**

When looking at the Balance Sheet, think of the asset side as everything that the organization owns or is entitled to receive, and the liabilities as what it owes to others. The net assets are the difference and represent the value of the assets owned by the organization.

Assets

Current Assets include cash and items that can be converted into cash within about one year, such as short-term investments, accounts/grants receivable and prepaid expenses.

Property, Plant & Equipment encompass any land, buildings, vehicles and equipment that the organization has purchased. These items are generally stated at their purchase prices less accumulated depreciation in order to reflect the current value of the asset.

Other Assets is a catch all for assets not classified in the other two categories and may include patents, deposits, etc.

Liabilities

Current Liabilities are usually payable within one year and include such things as:

Accounts Payable (money owed to suppliers, consultants, employees, landlord, etc.)

Accrued Expenses (bills that are expected to be paid because products or services have been rendered but no invoice has been received, contractual salary arrangements, etc.)

Short-Term Notes Payable (any loans or lines of credit that are due within one year, including any portion of Long-Term Liabilities due within that year)

Long-Term Liabilities are simply loans and other obligations that are not due within the next 12 months. ■

ASSETS		Do Right Corporation Statement of Financial Position As of June 30, 20xx	
Current Assets		LIABILITIES	
Cash		Current Liabilities	
Accounts Receivable	\$ 25,000	Accounts Payable	\$ 14,500
Contributions Receivable	15,000	Accrued Salaries	21,000
Prepaid Expenses	3,500	Line of Credit	17,250
Total Current Assets	<u>178,500</u>	Total Current Liabilities	<u>52,750</u>
Property, Plant & Equipment		Long-term Liabilities	
Furniture (net)	15,000	Notes Payable	50,000
Equipment (net)	30,000	Total Liabilities	<u>102,750</u>
Total P, P & E	<u>45,000</u>	NET ASSETS	
TOTAL ASSETS	<u>\$ 223,500</u>	Net Assets beginning	100,750
		Change in Net Assets	20,000
		Total Net Assets	<u>120,750</u>
		TOTAL LIABILITIES & NET ASSETS	<u>\$ 223,500</u>

How to Use the Balance Sheet

Armed with the previous terminology, we can assess the financial strength of the organization.

$$\text{Current Ratio} = \frac{\text{current assets}}{\text{current liabilities}}$$

Current Ratio is a standard measure of liquidity calculated by dividing current assets by current liabilities. A current ratio between 1.5:1 and 2:1 generally indicates sufficient liquidity to meet short-term cash needs.

Quick Ratio is more restrictive -- and perhaps better -- measurement of liquidity. It is determined by dividing only the unrestricted cash and accounts/contributions receivable by current liabilities. A ratio of 1:1 or higher shows good liquidity, meaning simply that the organization has enough cash available to pay all of its current debts. ■

Does Anybody Actually Use This Stuff?

Based on our admittedly unscientific sampling, not many do. Most executives turn first not to the Balance Sheet, but to the Income Statement to guide their decisions. According to Phil Pangrazio, Executive Director of Arizona Bridge to Independent Living (ABIL), “the Balance Sheet is a monthly snapshot that doesn’t really give me the management information I need, but it’s useful as a cumulative record of the organization’s financial position over time.” Similarly, Ginger Ward, Executive Director of Southwest Human Development, looks quickly at the cash balance on the balance sheet, then moves to the Income Statement to see which programs are meeting revenue and expense targets. This type of review is typical for nonprofits, which use Balance Sheet ratios to track performance over time or make comparisons between organizations. ■

Could They Use It?

What might executives and Board members glean from ratios? For starters, increasing Quick Ratios from quarter to quarter indicates improving liquidity and greater financial stability. Further, looking at any number of ratios -- i.e., the relationship between debt and net assets, the ratio of pledges and the pledge collection period -- is an excellent way to pinpoint areas where the organization excels, and areas that may need to be improved.

Consider the example of Collaboration for a New Century, a relatively new organization whose goal is to facilitate collaborative efforts between the business, faith, philanthropic, government and social service sectors in areas such as livable wages, affordable housing and access to health care.

Like many nonprofits, they have struggled with accounting services that didn’t understand the nature of their nonprofit organization. The result? Calculating a Quick Ratio showed poor liquidity, even though their Executive Director, Jannah Scott, knew that they had money coming in from pledge donations. It turned out that while the pledges had been made to the organization, they were not being recorded on the balance sheet as accounts receivable, resulting in an apparent lack of liquidity.

In this case -- and in many others -- the key isn’t the numbers or the ratio, but what’s *behind* the numbers. By making a habit of calculating various ratios between assets and liabilities, executives come to internalize the *relationships* between various categories, which then serve as windows on performance and sustainability over time.

It’s like learning how to read music. First, you see only notes on a page. With practice, you can hear the melody. ■

Restricted Access

One of the anomalies of nonprofit accounting is the use of permanently restricted, temporarily restricted and unrestricted assets:

- **Permanently Restricted Assets** are like an endowment. Funds are invested, and investment income may be spent, but the core amount, or corpus, cannot be spent. Income generated may be either Temporarily Restricted or Unrestricted, depending upon the contingencies placed on the gift by the donor.
- **Temporarily Restricted Assets** are funds that may only be used in a given time period or, more commonly, for a specific purpose. Many nonprofits receive funds that are earmarked for a specific program or type of service and cannot be used for other programs or purposes. Federal, state and foundation grants usually fall into this category.
- **Unrestricted Assets** may be used at the discretion of the agency for any purpose, giving the greatest financial flexibility to the organization by allowing the cash to be used where it is most needed.

The Income Statement

The Statement of Activities, or Income Statement, reflects financial activity over a given period of time, typically a month, quarter or year. Most people are familiar with the two main sections of the Income Statement: Revenue and Expenses.

Revenue is typically broken down into several categories such as Fees for Services, General Contributions, Government Grants, Corporate Grants, Special Fundraising Activities and Investment Income.

Expenses are generally presented such that the reader can easily determine the cost of programs, general administration and fundraising. The allocation of funds across specific expense line items (salary, rent, printing, etc.) allows the organization to compare categories over time and think strategically about the percentages of each.

- The **Statement of Functional Expenses** often accompanies the Income Statement. Many nonprofits with more than one program use this to break out each expense item and allocate it to a particular program or to general administration, giving the reader the ability to analyze and compare the merits of individual programs.

Revenue – Expenses = Change in Net Assets

Change in Net Assets is equal to Revenue minus Expenses. In each accounting period, the Change in Net Assets value is added to the Net Assets section on the Balance Sheet. Thus, the Net Assets value on the Balance Sheet reflects the accumulation of all the Changes in Net Assets from the beginning of the organization. ■

REVENUE	
Contributions	\$113,000
In-kind Contributions	9,500
Government Grants	300,000
Other	75,000
Total Revenue	\$497,500
EXPENSES	
Salaries	\$239,456
Payroll Taxes & Benefits	36,481
Professional Fees	55,000
Advertising	19,325
Travel	14,923
Dues & Subscriptions	1,250
Rent	27,400
Telephone	6,945
Postage	4,651
Supplies	6,700
Printing	37,484
Insurance	4,987
Interest	9,050
Depreciation	9,500
Miscellaneous	4,348
Total Expenses	\$473,152
CHANGE IN NET ASSETS	\$20,000

The Bottom Line

Many nonprofit execs view the Income Statement as the most useful management tool, because it allows them to see where the money came from – and where it went.

For ABIL's Phil Pangrazio, the Change in Net Assets figure is the bottom line on the Income Statement. Beyond that, the Income Statement tells him which programs are covering their expenses, whether personnel costs are increasing faster than billing revenue, and which programs are growing. Reading the financial information this way, Pangrazio can compare it to his organization's strategic plan and match program growth to issues identified in ongoing needs assessment.

Pangrazio, Southwest Human Development's Ginger Ward and others use the Income Statement to monitor revenue and expenses against the budget. From a management perspective, a budget variance in and of itself isn't necessarily a problem. Problems arise when the leadership is not aware of the variance or can't explain it. While most nonprofits rely heavily on comparisons between budgeted and actual figures, what's really at issue is the difference between revenue and expenses. ■

Common Sizing: Comparing Performance Over Time

When comparing financial statements from one period to the next, especially in times of growth or other significant change, it may appear impossible to compare two balance sheets or two income statements and see any relevance because the absolute value of the numbers has changed.

Fortunately, there is a simple way to standardize the statements for easy comparison. We do this by creating "common size" statements in which all the numbers are changed to percentages.

For the Balance Sheet, divide each number by Total Assets and multiply by 100. This will make Total Assets equal to 100, reflecting the sum of the individual Balance Sheet line items. Similarly, on the Income Statement, divide each number by Total Revenue and multiply by 100.

Now the statements can be compared item-by-item. For instance, when you look at the line item 'Cash,' you know if you have more or less cash now, relative to the overall size of the organization, than you did at the end of the prior period. ■

A Useful Tool

The common size Income Statement can show changes in the relative significance of revenue sources. Perhaps corporate giving is down and government grants are up as a percentage of total revenue. This may not be obvious if both have increased (or decreased) in absolute terms. Similarly, if the common sized percentage of a particular expense item, like salaries, has gone down, you know that you are receiving more revenue per dollar spent on salary than in the past.

Common sizing is a powerful tool that not only allows you to make comparisons over time within your organization; but also to compare yourself to other organizations of any size. To see how you measure up to a national nonprofit, just take their statements and common size them. Now you have an apples to apples comparison with your own. See how much more or less they have in available cash; check out their salary expense; and find out what percentage of their revenue comes from corporate donations.

Charlotte Harrison, Executive Director of the Arizona Family Planning Council, found some interesting differences when she compared five years' worth of financial statements by "common sizing" them. She now plans to integrate this tool in evaluating and managing the budget, and will encourage the Council's subcontractors to use it as well. ■

Accrual Accounting: When is Revenue Not Revenue?

“I recently received a five-year grant of \$125,000 -- \$25,000 each year. My accountant is telling me that I must show \$125,000 of income. My Income Statement shows a positive change in net assets, but I only have \$25,000 in real money this year. Why do I have to report the higher number? It is difficult to get additional funding when I appear to have plenty of money.”

This method of reporting is called accrual accounting. You report the full value of the grant on your Income Statement when the grant is made. The amount that is not received in cash is “accrued” on the Balance Sheet as Grants Receivable. Although this may seem unfair on the surface, it is actually a good feature when presented in the correct light.

The Income Statement should be read in conjunction with the Balance Sheet, as revenue may have little to do with cash received from operations. Under accrual accounting, grants, contributions and fees are recorded when the promise is made or services rendered, not when the cash is in-hand. To see a true picture, look at the changes in your Accounts/Grants Receivable on the Balance Sheet. If Accounts/Contributions receivable are increasing, the organization may need to focus some resources on collections and be careful with cash until it actually comes in the door. ■

Stability Over Time

The benefit of accrual accounting in this instance is the effect on the Balance Sheet. Getting back to the example above, under Grants Receivable you will show \$100,000. Although you must be sure to disclose the fact that this money is receivable over the next four years, you are able to

demonstrate significant long-term support for your organization. Funders will know that you have a head start on your cash contributions over the next four years, which will add to your stability and their peace of mind.

This has been the experience of Collaboration for a New Century’s Jannah Scott. As the Executive Director of a young organization, she has experienced first-hand the challenges faced by an organization that hasn’t yet established a long-term financial track record. With even a relatively small number of commitments in hand, the Collaboration can demonstrate to other potential funders that the short and intermediate-term future of the organization is financially stable – a fact that bodes well for their longer-term success. ■

OVERHEAD: *The Cost of Doing Business*

Ask most nonprofit organizations what they need, and they will tell you it’s money for ongoing operations. A significant part of this is overhead: the basic necessities of rent, communication and information systems, utilities, supplies and the rest. In the parlance of the grants game, overhead is usually referred to as indirect costs. This is distinguished from *direct program costs*, such as salaries, publications, travel and the like.

Some grant making organizations fund indirect costs, and some don’t. For those that do, a grant applicant can establish a federally approved *indirect cost rate* and tack it on to all federally funded programs and some state contracts. This is the approach taken by Southwest Human Development, which receives a significant amount of their revenue through government grants and contracts.

For those organizations that don’t fund indirect costs, there are several options:



- Build indirect costs into the program budget as an in-kind match for government or other grant-funded programs. This approach is often attractive to donors who look for in-kind contributions from the organization as a demonstration of its commitment to the program. Arizona Bridge to Independent Living (ABIL) has successfully used this approach to secure funding for several of its larger programs.

- Build indirect costs into the cost of services for programs that are funded through unit-based reimbursement. This approach works particularly well for 'fee-for-service' programs with defined units of service such as client encounters.

- Convert indirect costs to direct program costs and itemize in the program budget. Taking general overhead costs such as phone system, utilities, etc. and costing them out over both ongoing and special programs is often an exercise in "creativity," but it's justified when those are real costs associated with running any "special" program. ■

Spinning the Program to Total Expense Ratio

"Our organization is extremely efficient. Only three percent of the contributed dollar goes toward administration."

Let's face it: There's a level of expectation in the general populace – a folklore if you will – that nonprofit organizations are used to austere surroundings, low salaries and overhead in the service of a noble mission. God forbid they would have to compete in the market for competent and seasoned professionals, use modern technology and set up shop in a well equipped office building. It's expected that most of their resources will be earmarked for direct program services and goals, and little of it for administration and overhead. This brings us to one of the more vexing subjects in nonprofit financial statements, the calculation of the Program to Total Expense Ratio. As one might expect, this is calculated by dividing total program expenses by total expenses. The higher the percentage – the more money in programs, and less in administration and overhead – the better. The issue, of course, is not how you do the calculation, but what goes into the denominator and numerator. All sorts of opportunities for spinning – and mischief – are possible here.

Framing the Mission

Consider once again the case of Collaboration for a New Century and its Executive Director, Jannah Scott. In a small start-up organization with a modest budget, the biggest expense item is the exec's salary. In Scott's case, their first accounting firm allocated nearly 100 percent of her salary to "administration," producing a whopping 70 percent earmarked for administrative overhead! Clearly that wouldn't be attractive to funders who wanted to support their mission.

In reality, Scott determined that she was spending at least 70 percent of her time working on direct program activities – the mission – and not on administrative matters such as arranging for the audit, ordering supplies, paying bills, etc. The accounting firm had her salary in the denominator, but not in the numerator, where 70 percent of it belonged. This gave the distorted impression that the organization was inefficient and allocating insufficient resources to its mission.

The other side of this coin is "hiding" administrative overhead in direct program costs. If an organization has a large staff and reports only a small percentage of total costs to administration, it's legitimate to ask how people spend their time, and how it relates to the central mission.

The way to answer this – both for the general public and the IRS – is to monitor staff positions and expenses on an ongoing basis to determine how much time and resources are directly related to program, how much are somewhat related (indirect program), and how much are clearly administrative and overhead costs.

This is an exercise in judgment, tempered by experience. It's not a science. Nonprofit executives and Board members can avail themselves of "industry" ratios for all sorts of descriptors – staff size to total budget, program to administration, salary ranges across similar organizations – to compare themselves to others and justify the allocation of resources in service to the community.

The point is to frame what's central to the mission and what's peripheral to it, and tell that story honestly through the financial statements. ■

Attractive Hazards: Loans and Lines of Credit

Does your organization need a loan for necessary capital improvements, or a line of credit to smooth over the bumps in cash flow?

Many small and mid-sized nonprofits in this situation might shy away from approaching traditional banking institutions, thinking that they would never be approved, that it is too difficult, or that personal guarantees are required. According to Karen Perry, Relationship Manager in the Nonprofit Banking Division of Wells Fargo Bank in Phoenix, this is not the case.

As Perry puts it, “Nonprofits need to establish a relationship with their banker.” More than that, “establishing a relationship with a banker who deals specifically with nonprofits can increase the likelihood of having an application accepted.” A nonprofit banker understands the issues facing nonprofit organizations and is skilled in analyzing your agency and loan request.

On the financial side, organizations must have a “demonstrated ability to repay debt,” evidenced by two to three years of positive changes in net assets, or a sufficient explanation for a period of negative change and evidence of “sufficient cash flow to repay the loan.”

Two additional points that may tilt the odds in your favor are stable management and presentation. A stable management shows the bank that the organization will most likely continue in a similar fashion into the future. Time spent making sure that your financial presentation is complete and easy to understand will give both you and the bank confidence in the numbers. ■

The Downside Risk

Joyce Winston, CEO of Success Strategies and a regular consultant to nonprofit organizations, counsels caution when thinking about loans and lines of credit. While they are useful – and often necessary – for buildings and acquisition of equipment, they may also represent an ‘attractive hazard’ for an organization.

Winston recalls more than one instance when she was called in to salvage an organization whose Board didn’t see the red flag signaled by a change in the debt to net asset ratio, which would have told them that management “was using a line of credit to cover operating expenses, and didn’t see how deep in the hole they were getting.”

Nevertheless, for many new or expanding nonprofits, a line of credit is often necessary to manage cash flow until sufficient cash reserves have been developed. Although Arizona Bridge to Independent Living (ABIL) decided to cancel its line of credit and save the \$1,000 annual access fee, there was a time when they did access their line of credit every few months to smooth cash flow. ■

Debt to Net Assets Ratio

The Debt to Net Assets Ratio indicates what percentage of the organization’s net worth is comprised of debt. A high percentage means borrowed money is being relied upon for operations. Alternatively, this might be interpreted as leveraging assets to provide needed services, or as a problem meeting current obligations. To calculate the debt to net assets ratio, divide the total of loans and notes payable by net assets.

Tools of the Trade

Selecting the right accounting software for your organization

How does one go about selecting the right accounting package? According to Jim Mulligan of MAKEWISE Consulting, it is a four-step process:

1. Make an “inventory of what you have on the technology side,” i.e., list all of the computer hardware and operating systems that the software will be running on.
2. Complete a requirements list with every entry and reporting feature that you want. Be sure to include compatibility requirements with other software. For example, a membership organization may offer different pricing for members and non-members. If your billing program doesn’t communicate with your member program, a lot of time could be wasted continually checking the member program before creating an invoice in the billing program.

3. Research available software that meets your most important requirements and the majority of your other requirements. “See actual demonstrations of software, not just PowerPoint presentations,” warns Mulligan. You’ll need a real feel for how each package would impact your organization.

4. Make your purchase, get training on its use, and maintain it with upgrades as they become available. “Lack of planning before purchasing” is the biggest mistake that Mulligan sees.

Success Strategies’ Joyce Winston agrees. Her advice is not to settle for a basic accounting package, but to first understand the organization’s needs for both financial and management reports. Between the accounting software and the accountant, management and Boards should have financial statements that meet nonprofit accounting standards – and are useful management tools. ■

Easier Said Than Done

The challenge for small or mid-sized nonprofits is finding an affordable package that provides these reports. “Some of the better programs are pretty pricey,” notes Phil Pangrazio of ABIL.

Larger organizations have challenges as well. Ginger Ward at Southwest Human Development says that “Not only do you need a software package that tracks client services and generates reports, but we’ve had to augment the client system with a billing system that can accommodate the formatting requirements of different funders.”

Ward goes on to note that all of Southwest Human Development’s publicly funded programs require slightly different information and formatting. Supported by a full-time IS manager and contracted technical support staff, it’s not a small investment.

Especially for new organizations, finding just the right software and an accounting firm that understands nonprofit organizations are both challenges. It’s easier said than done. ■

Lessons Learned

All of us learn lessons the hard way: from experience.

With almost 50 years of combined nonprofit experience between them, Winston, Ward and Pangrazio have this advice to offer:

1. Focus on your mission, think strategically about a funding opportunity and make sure it’s related to your current work. Once the opportunity passes the mission test, apply a margin test and make sure program revenue will cover all program expenses and associated indirect costs.

2. The Executive Director must be involved in all financial aspects of the organization – the budget, monthly reports, the audit – everything. Make sure you can spot the difference between a negative variance caused by lag time from a negative variance that signals a downward spiral.

3. Know the rules. The Executive Director and Board members may not know all of the accounting and reporting requirements, but they should make sure they have someone on staff or on contract who does. Then they should monitor and understand what that person is doing. Most of all, don’t be afraid to ask questions. As one auditor put it, “No one was ever defrauded by someone they didn’t trust.”

Financial Strength Assessment

Has the agency experienced a 10% deficit of total budget or more for two years in a row?
 Does any one source of revenue finance more than 50% of the agency's expenses?
 Does the agency have less than a 3-month operating cash reserve? (Six months is recommended.)
 Do annual expenditures from fund raising, management and general exceed 30% of the budget?
 If any of the above answers are yes, does the agency have a plan to reduce this financial weakness/
 If yes, what plan and how is it proceeding?
 Summarize Strengths.
 Summarize Weaknesses.
 Priorities:

Board
Yes No NA Approved Date

Financial Management

Organization's budget is prepared according to nonprofit accounting standards?
 Budget reflects needs of the organization?
 Board reviews expenditures and revenues monthly/quarterly?
 Organization has system of internal controls?
 Annual audit?
 Written investment strategy?
 IRS rules for receiving donations are implemented?
 Organization has adequate insurance coverage (reviews annually)?
 Organization files all legal and financial documents as required:

- IRS Form 990
- IRSPension Report Form
- IRS Tax Deferred Annuities
- Arizona Corporation Commission Annual Report
- Arizona fundraising forms (when applicable)
- Arizona State Withholding
- DES Unemployment
- Workman's Compensation
- Maricopa County Property Tax exemption
- Tax depositories
- Federal W-2 forms
- Local fundraising permits

Joyce Winston of Success Strategies developed this short Financial Strength Assessment to help nonprofit organizations take stock of the resource picture.*
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Monthly Information Every Nonprofit Needs to Know

	<i>Month Ending</i>	<i>Year-to-Date</i>
INCOME		
Contributions	_____	_____
Government Grants	_____	_____
Earned Income	_____	_____
Interest	_____	_____
Other	_____	_____
Subtotal	_____	_____
Carryover (+/-) from Previous Year	_____	_____
TOTAL INCOME	_____	_____
EXPENSES		
Personnel Costs	_____	_____
Health Insurance	_____	_____
FICA, Federal & State Taxes	_____	_____
Rent	_____	_____
All Other Expenses	_____	_____
TOTAL EXPENSES	_____	_____
Surplus/(Deficit)	_____	_____
OTHER INFORMATION		
1. Uncollected receivables		
Less than 60 days old _____	More than 60 days old _____	
2. Account payable		
Less than 60 days old _____	More than 60 days old _____	
3. Checking balance _____	Savings balance _____	
4. Total budgeted income this year _____	% to date _____	
5. Total budgeted expenses this year _____	% to date _____	
6. Listing of this month's contributors:		

7. Explanation of unusual expenses this month:		

In their *Financial Basics of Grants Review*, the LarsonAllen Public Service Group details Monthly Information Every Nonprofit Needs to Know*
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Resource List

Books

- Managing the Nonprofit Organization, Peter Drucker
- Financial Basics for Non-Profit Managers, Thomas A. McLaughlin
- Financial Management for Nonprofits, Jae K. Shim and Joel G. Siegel
- Financial and Accounting Guide for Not-for-Profit Organizations, Malvern J. Gross, Jr., William Warshauer, Jr. and Richard F. Larkin

Seminars

- Not-for-Profit Accounting and Reporting – Annual Seminar presented by Miller Wagner and Associates

Websites

- www.businesstown.com
- www.fool.com
- www.help4nonprofits.com

People

- Joyce Winston – Success Strategies
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- Rob Leslie – Miller Wagner & Company
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- Christopher Marsh – Robert Half Management Resources
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People con't.

- Karen Adler/Kathy Hostettler – Henry & Horne, PLC
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Community Connect is published three times a year as a resource for nonprofits to use in increasing organizational capacity and community development. *This publication offers general information only. Professional advice should be sought to address individual situations.*

Community Connect seeks to provide information, perspectives, tools and techniques on issues that all nonprofits face in becoming better at what they do. Whether it's board development, strategic planning, fund raising, program evaluation or a host of other topics, all of us profit from sharing ideas about what works and what doesn't, and where we can go to find relevant information and improve our skills. *Community Connect* is one forum in which this learning can take place. ■

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