

2010 Technical Assistance Initiative to Strengthen Field and Grantee Capacity in Challenging Times

BACKGROUND AND SUMMARY

In recognition of the Open Society Institute's decision to support a special Technical Assistance Initiative to sustain and strengthen grantees in fields of social justice, NFF is pleased to propose a strategic partnership to provide financial capacity building and sustainability planning services to a selected group of U.S. Programs grantees over a 18 month period. This Initiative will assist nonprofit organizations struggling through the difficult and changed economic environment to develop the expertise to respond to current challenges creatively and effectively – particularly in the areas of sustainability planning, financial planning and management and fundraising.

NFF has always asserted that creating a strong, well-capitalized and durable nonprofit sector is crucial to delivering mission-critical programs and services with impact. Underlying this assertion is a recognition that organizations that use clear, accurate and relevant financial data in decision making are better able to understand their ability to handle risk, direct resources and pursue opportunity. We at NFF routinely observe that the understanding and consistent use of financial information in this fashion is a driving factor in an organization's ability to determine strategy and create sustainable and successful business models that deliver effectively and meaningfully on its mission.

NFF endeavors to lead the 2010 Technical Assistance Initiative to Strengthen Field and Grantee Capacity in Challenging Times from the basis of sound financial analysis and understanding, a basis we believe is the common and crosscutting element for sustainable organizations. NFF has had great success in educating nonprofit organizations about: (i) the fundamentals of nonprofit finance, (ii) key drivers of nonprofit financial durability and sustainability and (iii) the link between financial health, a financial story for funders and stakeholders and achievement of impact. In this proposed initiative, NFF will provide a range of assessment and financial planning services that address the aspects of financial health that drive sustainability. **The goal of this initiative is to enable OSI's U.S. Programs grantees to apply financial understanding and planning to the sustainable management of their organizations, so that they are able to tell their financial story to stakeholders and make decisions that strengthen their operations and the missions that are critical to our society.**

In NFF's work across the nation, we are seeing the impact of the continued economic uncertainty. Nonprofit organizations are undercapitalized and often lack the unrestricted net assets that are critical to maintaining financial health and flexibility. Organizations with facilities are facing depreciating assets indicating a need for significant reinvestment. There is clear need to educate board members on finance, to provide best practices around budgeting and revenue diversification, and to strengthen the understanding of nonprofit financial statements and their use as management tools. There is a direct link between financial understanding, conveying one's financial story and effectively raising the necessary funding to meet both mission and financial objectives. It is in linking money to mission where NFF's work is central, and it is making this critical link that differentiates strong and productive organizations from struggling organizations.

NFF is leading efforts with funders, collaborative partners, nonprofit leaders, and the private sector to provide tactical tools and no-nonsense guidance that strengthen financially-based decision-making so that nonprofits can become stronger, better-capitalized organizations. We believe there is great opportunity for success when these efforts are made in partnership with a strategic funder such as Open Society Institute. Our proposal aims to address an initiative structure and approach for achieving such partnership and success.

ELEMENTS OF THE TECHNICAL ASSISTANCE INITIATIVE: STRENGTHEN THE FIELD AND GRANTEE CAPACITY SUPPORT

NFF proposes three phases to complete the work and achieve the desired results of this initiative and a detailed description of each phase follows:

- Phase 1: Field scan and participant selection
- Phase 2: Program design and implementation planning
- Phase 3 Technical assistance delivery

In an effort to balance a broad reach across grantees and meaningful work with each participating organization, NFF proposes a combined set of services-- peer group learning cohorts and one-on-one coaching and financial consulting services. The details of this set of services are described in Phase 3 below.

Throughout the initiative, NFF will work closely with the Strategic Opportunities Fund and the Grants Operations staff in the selection, design and implementation phases of the initiative. Additionally, NFF will extend itself to the US Programs' staff collectively to introduce the initiative and NFF's approach, as well as provide a "lessons learned" session at the close of the initiative to debrief the staff and identify areas where US Programs staff can look to continue to support the work that was completed during the initiative.

PHASE 1: Participant Selection

In Phase 1, NFF will collect, analyze and present information to help determine the focus and reach of the Technical Assistance Initiative. We will use a customized survey to assess interest, capacity and appropriateness to support selection of grantees for the initiative. NFF will work closely with the US Programs staff to compile an appropriate survey, collect data and analyze and interpret the responses. NFF will then provide a framework and suggestions for selecting the participating 40 organizations for the Initiative.

Grantee Survey

NFF has experience using surveys to assess interest and appropriateness for organizations participating in capacity building initiatives. The survey proposed for OSI's Technical Assistance Initiative would combine program, financial and organizational information. In the past, NFF's survey questions have focused on the financial and organizational health, the current challenges and opportunities, and other technical assistance already being provided. Additionally, the survey would be used to inquire about needed support, tools and technical assistance, so as to continue to inform our structuring of the Technical Assistance Initiative. NFF would look to US Programs staff for their expertise around particular program data that would be useful to collect.

After working with US Programs' staff to finalize the survey questions, OSI staff would disseminate the survey to the targeted group of grantees. NFF would recommend using "Zoomerang" as the survey tool. We have found this to be an effective means for disseminating questions and collecting data electronically. The length of the survey should be such that sufficient data is collected, but is also digestible by the respondent. We would recommend a survey of approximately 30 questions, to be completed on-line. NFF will compile all of the responses, both quantitative and qualitative, interpret the data and provide both our assessment and the raw data to the OSI staff. It is from this basis that we'll move forward with segmenting the grantees that responded and "bucketing" them into possible groups of participants for the Initiative.

The surveying of the OSI grantees can be done immediately upon commencement of the initiative. Design of survey questions and distribution to the targeted group of grantees would be completed in the first month of the initiative. Analysis of survey data for the Technical Assistance Initiative would then be completed during month two and will contribute to selection of participants for the initiative.

Selection of Grantees

NFF would use the information collected via the survey and discussions with US Programs' staff to inform a

conversation and decision-making process for OSI staff to determine the cohort of grantees to participate in the Technical Assistance Initiative. We would anticipate a facilitated conversation as to where U.S. Programs wants to have impact, and we would welcome such a collaborative approach. To support this, though, NFF would propose framing the decision-making such that combined priorities are addressed and likelihood for success in implementation is encouraged.

Based on NFF's work in the sector, we have found the following categories as a way to consider addressing needs of the sector, particularly in the current economic environment. The table below outlines a structure for considering priorities and which organizations might participate in the Technical Assistance Initiative.

NFF's approach in using such categorizations is to help the US Programs staff decide 1) how grantees align with the Foundation's priorities 2) what the current position and health of the organization is and 3) how these two areas intersect—i.e. financially healthy and stable organization delivering on mission; financially challenged organization but with a mission that is critical to Foundation's strategy; strong yet growing organization that will be challenged by a larger program and shifting economy. By bucketing grantees in the suggested categories, it is then easier to begin assessing which organizations would benefit most from the Technical Assistance Initiative. The below table is one framework in how to approach categorizing and prioritizing grantees for participation in the Technical Assistance Initiative. There may be other categories that are more important to U.S. Programs, which can be used as a basis for decision-making. All of this can be considered when structuring a decision framework.

	Alignment with Foundation Priorities	Health and Position of the Grantee	
Categories	Mission and Program	Organization Lifecycle	Financial Position
Characteristics	<ul style="list-style-type: none"> • Alignment with U.S Programs priorities • Strength of mission and outcomes • Critical to U.S Programs future strategy 	<ul style="list-style-type: none"> • Emerging • Growing • Mature 	<ul style="list-style-type: none"> • Financially stable, but threatened by economic environment • Viable, but weakened significantly by the current recession • Financially fragile over a longer period, prior to the recession
Requirement for Initiative Success	<ul style="list-style-type: none"> • Capacity in an organization to absorb the technical assistance offerings and apply the tools and best practices for managing in these tough times and beyond. • An investment and commitment by an organization's leadership and Board have proven to be critical in the ongoing success of capacity building initiatives. 		

Using the data and responses collected during Phase 1, NFF will present our findings and thoughts for moving forward with the selection process to the U.S. Programs staff in month 2 of the Initiative. We would anticipate that selection of participants will be completed during months 2-3, during which time NFF will have presented findings, made initial suggestions and facilitated a discussion among the U.S. Programs staff as to which grantees might participate in the Technical Assistance Initiative.

PHASE 2: Program Design and Implementation Plan

In Phase 2, NFF will work closely with U.S. Programs' Strategic Opportunities Fund (SOF) and Grantmaking Operations (GO) staff to develop both an implementation and evaluation plan that best serves the objectives of the initiative, within budgetary and timing parameters.

Implementation

NFF envisions a multi-faceted approach to implementing the Technical Assistance Initiative. For illustrative purposes, NFF has scoped a broad framework for a work plan. However, this is something that must be discussed, updated and refined in consultation with the U.S. Programs staff at the beginning of the initiative.

The work plan for the initiative is expected to contain the following components:

1. Grantee survey and participant selection
2. Launch of initiative through meeting with Program Officers and other OSI staff
3. Design of overall implementation of work plan and technical assistance offerings
4. Conduct five Financial Clinics for 40 participating grantees
5. Delivery of financial coaching to individual organizations
6. Lessons learned—an assessment by NFF and ½ day workshop presented to U.S. Programs staff

Below is a proposed summary timeline that details the implementation of the initiative, based on the six components of the work plan over an 18-month period. NFF believes this work may be able to be accelerated and will work with US Programs' staff to execute the work within the 18 month period outlines below.

2010			2011				2012
October	November	December	Jan – Mar	Apr - June	July – Sept	Oct-Dec	Jan - Mar
Phase 1: Conduct Field Scan <ul style="list-style-type: none"> ▪ Create survey ▪ Distribute survey to targeted grantees ▪ Receive survey responses 	Phase 1: Select Participants <ul style="list-style-type: none"> ▪ Analyze survey results ▪ Provide framework for selection ▪ Facilitate decision-making with U.S Programs staff ▪ Present NFF and work plan to Program Officers 	Phase 2: Confirm Work Plan <ul style="list-style-type: none"> ▪ Update work plan for initiative ▪ Confirm participants ▪ Finalize technical assistance offerings 	Phase 3: Technical Assistance Delivered <ul style="list-style-type: none"> ▪ Prepare for Clinic 1 & 2 ▪ Deliver Clinic 1 & 2 	Phase 3: Technical Assistance Delivered <ul style="list-style-type: none"> ▪ Prepare for Clinic 3 &4 ▪ Deliver Clinic 3 & 4 ▪ Financial Coaching (16 grantees) 	Phase 3: Technical Assistance Delivered <ul style="list-style-type: none"> ▪ Prepare for Clinic 5 ▪ Deliver Clinic 5 ▪ Financial Coaching (32 grantees) 	Phase 3: Technical Assistance Delivered <ul style="list-style-type: none"> ▪ Financial Coaching (40 grantees) 	Evaluation and Review <ul style="list-style-type: none"> ▪ Financial Coaching (40 grantees) ▪ Learning session with U.S. Programs staff
<p><i>Periodic check-ins with U.S. Programs' Strategic Opportunities Fund and Grantmaking Operations staff is anticipated</i></p>							

The detail on the types of services offered to grantees and the approach in defining the financial coaching for each grantee is discussed in Phase 3 of the proposal. The above timeline is only intended to scope out the possible types of service delivery and target dates during the implementation phase. Further refinement of the work plan will require knowledge of the actual participants. It should be noted that NFF believes that up to 40 organizations can be served within a 12-18 month time period under this initiative. This is assuming that there are organizations in different geographies, but concentrated on the East and West coasts, and that NFF will leverage its national footprint and regional staffing structure to conduct the Financial Clinics and the individual Financial Coaching on a simultaneous basis, as much as possible.

Evaluation

As a matter of course, NFF has in place an evaluation process that we would plan to employ with all of the grantees involved in this initiative. This involves both survey analysis, as well as qualitative assessments from regular client follow up at six, twelve, and eighteen month intervals. It is our expectation that we will see a wide range of tangible benefits and outcomes for our clients including:

- Increased financial awareness for better planning and decision making.
- Expanded knowledge of nonprofit business decisions and their relative financial risks and challenges.
- Enhanced skills in managing the interplay between financial risk, revenue reliability and fixed costs.
- Increased ability of managers to communicate their organization's financial story to their Board, funders, staff, constituents, and other stakeholders.

We have found that our pre and post engagement surveys have yielded high quality information about our client's needs and the short-term impact our work has yielded.

PHASE 3: Technical Assistance Delivery to Grantees

Once the grantee analysis has been completed and the nonprofit participants have been selected, NFF will be prepared to mobilize staff across the US to deliver the Technical Assistance Initiative to the selected OSI grantees. The proposed components for the Technical Assistance Initiative: Strengthening Field and Grantee Capacity in Challenging Times include: **Financial Clinics** and **Strategic Financial Coaching**.

Financial Clinics: This 1.5 day Clinic allows NFF to work intensively with up to eight nonprofits simultaneously. It combines educational seminars with individual financial exercises, peer-based learning and one-on-one consultations. NFF will be able to serve a total of 40 organizations through 5 different Clinics.

Using the financial information provided in each organization's audited financials, we train participants in articulating their particular financial opportunities and challenges and setting appropriate financial goals as part of each nonprofit's overall planning and management. The components of the Clinic include:

- Financial diagnostic for each organization, looking back at five years of performance and specifically identifying trends and insights in revenue, expense, profitability, balance sheet composition and liquidity.
- Training on core financial concepts including reading financial statements and identifying business model drivers from financial information
- Comparable financial view of the eight participating organization, to highlight variations in business models and business dynamics
- Financial planning and management tools that help the leadership of the organization make sound decisions for the overall health of the enterprise and its programs
- Financial presentations by each organization to a NFF staff member on the second morning of the clinic about their current financial condition and opportunities and risks for the coming year(s)

The specific structure of the Clinic is as follows:

- 1.5 day training: NFF recommends that each Clinic is delivered over two consecutive days for efficiency and expense purposes.
- Peer learning: 8 organizations per Clinic, participating in shared training, discussion and presentation.
- Senior leadership participates: Executive Director, senior Finance person, Board Member (if possible)
- Participant analysis and “homework”: Each participant will be required to spend time between Day 1 and Day 2 completing some financial analysis of their own organization and preparing their financial story and financial concerns for discussion with an NFF professional during each participants’ one-on-one coaching session. The scope of individual work with each organization will be defined during this initial consultation.

Through the use of real-life case studies and the participants’ specific audited financial information, Nonprofit Finance Fund provides nonprofit leaders with and improved understanding of its core capacities, underlying business dynamics and financial condition. Leadership will leave the Clinic with new ways to analyze and interpret financial assessments and language and tools to articulate the organization's story and resource needs to staff, board members, potential funders, and other stakeholders. It is the intent of the training, and all of NFF’s work, that financially-based data will equip leaders to plan for the future and make decisions that strengthen the overall health of their organization.

The work done in the Clinic setting and the on-on-one session with each organization on day 2 will help NFF and the participating grantees identify the greatest needs for each organization, which will orient the next phase of the Technical Assistance Initiative—strategic financial coaching.

Strategic Financial Coaching: Coaching will build on the basis of both the individual financial analysis and assessment completed for each participating organization and the joint training/learning that takes place in the peer setting. With the completion of the Clinic, both NFF and the organization will understand the financial condition of the individual organization and the needs to be addressed. From there, NFF can coach the organization, through the use of structured tools and on going dialogue with leadership, about their particular needs. Each organization will receive a total of 9 hours of individual coaching, starting with an in-person coaching session at the close on the Financial Clinic. Issues that we would expect to advise on and address during the coaching period after the Clinic would include:

- **Financial Reporting Assistance**: Financial reporting must serve multiple audiences, and, most importantly, be clear and understandable by the reader. NFF helps organizations develop and maintain reports to meet their needs, whether it be internal, for the board or for funders or other stakeholders.
- **Cash Flow Planning**: We offer guidance and templates on how to produce and use monthly cash flow projections to provide visibility into the timing and reliability of cash, employing a model that looks out 12-18 months.
- **Program Profitability Modeling (PPM)**: NFF provides a template and approach for understanding and modeling revenue and expense dynamics of each major program and for determining which programs are operating at a profit or loss. With this knowledge, a basis for both program by program *and* organizational full cost needs are determined, preparing organizations for more informed planning and discussions with stakeholders about budgets and funding possibilities.
- **Scenario Planning**: NFF works with management to evaluate how unanticipated revenue shortfalls could impact the organization and explore opportunities for maximizing revenue, cutting costs, and re-channeling resources. The approach to scenario planning is to model out multiple outcomes and determine what triggers need to be in place to either respond to funding opportunities and/or course correct when funding realities shift.
- **Reports, Presentations, and Communications Coaching**: NFF can help communicate the organization’s financial story to funders, board members, and other stakeholders. This element of the coaching is where the

fundraising story is developed, based on a solid understanding of financial position and revenue and capital needs for the organization.

In providing coaching to the participating grantees, NFF would be selective of the above services to ensure individual organizational needs are being met, while delivering the services within the allotted number of coaching hours. In the case of some of the services, such as Scenario Planning, additional hours may be needed. We will manage this on a case by case basis and consider the total available pool of coaching hours (both allotted and used) when working with individual organizations.

PROPOSED BUDGET

In order to offer OSI an alternative for best meeting its grantees' needs under the Technical Assistance Initiative, NFF is providing a budget based on available resources for this pilot initiative. The structure is meant to maximize the available funding and reach as many grantees in as meaningful a way as possible.

This budget is intended to support an optimum level of direct service to 40 OSI grantees, while also reaching out in a more general way to the broader US Programs grantee pool. It is built around the stated needs of U.S. Programs grantees, based on NFF recent conversations with US Programs staff during the RFP Interview Process. This budget assumes:

- 18-month technical assistance initiative
- A balance between group training and one-on-one coaching
- Delivery of direct services to 40 organizations
- Support grants for each participating organization of \$25,000
- Current available funds from OSI of \$500,000
- Contract start date of October 1, 2010

BUDGET SUMMARY (A detailed budget is provided as a separate attachment.)

DESCRIPTION OF WORK	ESTIMATED COST
PHASE 1: Field Scan and Selection	
- US Programs grantee survey	\$16,000
- Selection criteria determination and decision on participants	\$3,300
Subtotal PHASE 1	\$19,300
PHASE 2: Implementation Planning	
- Initiative work plan design and confirmation	\$5,500
- Create training content for Financial Clinics	\$17,600
Subtotal PHASE 2	\$23,100
PHASE 3: Technical Assistance Delivery	
- Financial Clinics – 5 clinics for 40 participants* (including 1 st hour of individual coaching)	\$308,000*
- Organizational work plans and management for 40 organizations	\$30,000
- Individual coaching (up to 8 additional hours per organization)	\$80,000
Subtotal PHASE 3	\$418,000
Initiative Management	
- Lessons learned training – US Programs' staff	\$11,000
- Periodic check-ins and reporting	\$28,600
Subtotal PLANNING & MANAGEMENT	\$39,600
Total Technical Assistance Initiative Design & Implementation	\$500,000
<i>Support grants (40 grants at \$25,000 per grant)</i>	<i>\$1,000,000</i>

**Incorporates NFF production and travel costs*

RELEVANT EXPERIENCE – PHILANTHROPIC ORGANIZATIONS AND BUILDING GRANTEE CAPACITY

NFF regularly establishes funding partnerships to deliver broad-reaching technical services to nonprofit clients, and we currently have active relationships with over 80 major funders across the country. We understand the importance of a multi-disciplinary response to the needs in the sector, and we see the value of our financial expertise being partnered with the insight of our Foundation partners to provide both rapid response and ongoing support to designated nonprofit organizations. We have been successful in administering these complex relationships over the years through strategic funding partnerships. Highlights of key initiatives are described below:

W.K. Kellogg Foundation – Kellogg Action Lab

The W.K. Kellogg Foundation initiated this \$9.3 million program as a “next step” of responsiveness to approximately 800 of its domestic grant recipients by providing capacity building support. The goals of the three-year initiative are to 1) strengthen the grantees’ ability to achieve greater social impact in communities by improving their program effectiveness and financial sustainability and 2) improve practice in the fields of nonprofit management and philanthropy in the United States. The role of NFF was to collaborate on the design and execution of the implementation plan, and deliver 50 individual financial diagnostic/consulting engagements.

Doris Duke Charitable Foundation- Mid-Size Presenting Organizations (MPO) and Leading for the Future Initiatives

NFF is involved in a 5-year, \$9.45M (\$7.01 million re-grant funds; \$2.4 million operating and consulting funds) initiative with the Doris Duke Charitable Foundation to support *Mid-Sized Presenting Organizations* (MPO). Drawing on findings from research conducted by NFF and partnering consultants about the challenges and opportunities faced by MPOs in cultural production and consumption, the goals of the Initiative were to: 1) sustain or increase opportunities for artists to create and perform their work, and 2) help the selected institutions meet long-term goals and maintain their financial health. NFF was the intermediary responsible for implementing the four-year initiative and providing to the 17 participating organizations the following resources: 1) an annual re-grant in the range of \$90,000-\$125,000, 2) an organizational assessment, including the NFF’s Nonprofit Business Analysis, presented in collaboration with our consulting partners; 3) customized technical assistance by NFF, and partners; and 4) an annual convening that includes workshops which focus on topics central to the participants’ projects and experiences implementing them.

Leading for the Future is an experimental pilot initiative designed to enable a group of artistically outstanding organizations to strengthen their business in a shifting environment. NFF is managing this 5-year, \$15.125 million initiative, which will allow each nonprofit to tackle sector-wide challenges such as shifting audiences, decreased funding sources, and new technologies. Participants will have access to up to \$1 million over four or five years to meet a variety of challenges faced by performing and presenting arts organizations in today’s world. Their projects will also provide instructive examples and models for other arts organizations to learn from and possibly replicate. These investments are intended to allow participants to take transformative rather than incremental steps to remain artistically relevant, effective and excellent while ensuring long-term financial viability. In addition to the grants, recipients receive customized technical assistance and coaching services from NFF as they implement their promising programmatic, financial and operating innovations to strengthen their business models.

Bank of America Foundation

Bank of America Foundation and NFF recently entered into a partnership to provide services to a broad, nationwide audience of both the general nonprofit community and Bank of America’s clients. NFF will develop specific engagements by geography with the goal of building awareness about the importance of the financial strength and durability of community-based organizations. The phases of the multi-part initiative will include (Phase 1) - an educational component consisting of workshop and training delivery and (Phase 2) – customized client consultations, including financial technical assistance and coaching developed specifically for each individual organization’s needs and development level. This critical combination of broader outreach and group trainings with follow-up customized

consultations will allow participating organizations to develop their generalized financial skills up front, and then further discuss their organizational needs, challenges and opportunities through a one-on-one engagement.

California Community Foundation

CCF and NFF have partnered to provide a comprehensive package of education and technical assistance to strengthen the financial health of area nonprofits in the areas of education, health care, human development and neighborhood revitalization. Due to the limited supply of both working capital and growth capital for nonprofits resulting from few banks or CDFIs consistently providing these products, established Los Angeles County nonprofits have substantial unmet and latent demand for working capital loans. In addition to funding for technical assistance support, the California Community Foundation provided NFF with a \$3MM PRI which NFF matched with \$3MM from its loan fund to create a \$6MM loan fund focused on working capital loans, bridge funding; and growth funding to nonprofits in the greater Los Angeles area.

United Neighborhood Houses

UNH and NFF have worked together since 2006, providing critical technical assistance and training to New York-based, multi-service Settlement Houses. We first delivered the Nonprofit Business Analysis to UNH-member organizations, assuring that these large, human service organizations had the appropriate tools and resources to understand their evolving business models. Building upon this collaborative work, NFF is continuing to work with UNH members to build upon earlier financial assessments, offering technical assistance in implementing the Program Profitability Model. In this most recent partnership, the goals include:

- Organizational leaders will have an improved understanding of the financial drivers within their programs and across the agency and of the importance of engaging program managers in understanding financial information.
- Program managers will develop the skills to understand overall financial information for the organization as well as the individual program economics for their programs.
- Organizational leadership will understand the costs of delivering their programs and have the capacity to monitor costs going forward.

RELEVANT EXPERIENCE – BY GEOGRAPHY AND ORGANIZATIONAL SIZE

NFF has emerged as a leading CDFI by recognizing and enhancing the unique and vital contribution made by nonprofits to low-income communities and economic development efforts. We serve the entire nonprofit field, including organizations that are engaged in economic and community development, youth services, arts, education, health & human services, and other areas. With our New York-based headquarters and offices across the country in Newark, New Jersey; Philadelphia, Pennsylvania; Boston, Massachusetts; Detroit, Michigan; Washington, DC; San Francisco and Los Angeles, California, our involved staff of more than 80 strives to address the unique needs in both our regional communities and our expanding national footprint. NFF's reach continues to move beyond these direct geographies, with new initiatives recently established in the Southeast, the South, Hawaii, Chicago and the Pacific Northwest.

More than a financial intermediary, NFF has educated nonprofit executives and their boards about nonprofit business models, healthy growth and capitalization. We have financed facility projects, technology investments, cash reserves, endowments, sinking funds for buildings, program development and working capital. In essence, NFF has evolved into a full-service "investment bank" for the nonprofit sector. As such our target audience has also grown and evolved, with our services directed to organizations most in need of our financial expertise or financing support. We have worked with more than 4,500 organizations nationwide since 1980, with annual operating budgets from \$100,000 to \$100 MM. This includes organizations receiving financing, technical assistance services and customized consulting engagements, as well as participants in the growing number of NFF-led workshops, trainings and financial leadership clinics.

NFF focuses on needs that are poorly addressed by mainstream institutions: working capital for growth and

operations; community facilities development; acquisition and renovation; the regular funding of depreciation at nonprofit-owned facilities; and the structuring of growth capital for major expansion of quality, quantity and scope of programming. Nearly 100 percent of NFF's clients are located in urban communities, ensuring our services both directly aid in stabilizing distressed neighborhoods while simultaneously enhancing the ability of local organizations to address social needs. Over 78 percent of NFF's clients are the sector's most capital-starved: organizations serving low- and moderate-income communities.

KEY STAFF QUALIFICATIONS AND RESPONSIBILITIES

NFF believes that a considerable portion of the value that we bring to our engagements is due to the strength and diversity of NFF's staff, both professionally and culturally. NFF staff has years of experience in banking and community development finance, strategic consulting and financial planning, financial education and training, and nonprofit management and policy. In addition to the professional backgrounds, 35% of NFF's staff identify as non-white and represent a range of cultures and backgrounds. These diverse perspectives have allowed NFF to initiate and embrace unique ideas, thereby making our endeavors more creative and productive. We feel that a diverse organization is also more adaptable in the current times, where society is becoming increasingly multi-ethnic and multi-cultural. At NFF, this has helped us gain a precise understanding of the needs of our distinct clients, and has thus allowed us to serve them better.

Biographies and qualifications of key consultants involved in this project follow. The Initiative Resource Table documents the specific regional responsibilities of key staff and available supporting staff dedicated to carrying out the 2010 Technical Assistance Initiative to Strengthen Field and Grantee Capacity in Challenging Times.

Paul Bennett is a Director whose responsibilities include working with individual clients on Nonprofit Business Analyses and customized advisory services, performing nonprofit industry research, and developing the NFF database of nonprofit financial information. He spent six years working in investment banking, financial management and financial journalism, including publishing articles in *BusinessWeek* and *Money*. Mr. Bennett received an MPA from Baruch College and a BA in economics from Binghamton University.

Rodney Christopher, Vice President, National Customized Services has played a prominent role in the development and delivery of NFF's advisory services, including our signature Nonprofit Business Analysis. As one of NFF's most broadly experienced team members, he divides his time between public presentations, custom engagements, client coaching, and staff training. Mr. Christopher's tenure at NFF spans 17 years, during which time he has been involved in a variety of NFF initiatives and special projects. He managed NFF's Nonprofit Recovery Fund, which raised and distributed over \$10 million to help New York City nonprofits recover financially from the economic effects of September 11th. He represented NFF on the selection committee for the inaugural New York Times Nonprofit Management Excellence Awards, and has served on the boards of the Artists Community Federal Credit Union, Brooklyn Arts Exchange, Gay Men of African Descent, the New York Technical Assistance Providers Network, and the Simon's Rock Alumni Association. Mr. Christopher has an MS in Urban Policy Analysis and Management from New School University and a BA summa cum laude in Social Sciences from Bard College at Simon's Rock, which established a scholarship fund in his name in 2006 to help its students afford study abroad.

Kristin Giantris joined NFF in September 2007 as Vice President for the Northeast Region. She is responsible for managing and overseeing delivery of NFF's services throughout the region and personally consulting to some of the more complex, higher-profile clients served by NFF. In addition, Ms. Giantris directs the business development and relationship management efforts for NFF, both in the Northeast Region as well as for strategic, national partnerships and initiatives. Ms. Giantris' professional experience combines over 15 years of economic development and debt financing in both the nonprofit and for profit sectors. Prior to joining NFF, Ms. Giantris was a Vice President at Citigroup Global Markets Inc., where she managed cross-border, investment grade debt offerings for various financial, corporate and governmental clients. Ms. Giantris came to Citigroup after an initial career in the nonprofit sector, where she worked for over eight years for the international nonprofit organization, Volunteers in Overseas Cooperative Assistance. While working in the nonprofit sector, Ms. Giantris served as a multi-country Program

Officer in Washington, DC and as a Country Director in Albania, managing various technical assistance and business development programs. Ms. Giantris earned a Masters Degree in Public Affairs from the School of International and Public Affairs at Columbia University and a BA in Political Science from Kenyon College.

David Greco is Vice President for the Western Region. He is responsible for managing and overseeing delivery of NFF's services and all marketing and fundraising for NFF's West Coast market. Prior to joining NFF, Mr. Greco served as Vice President of the Youth Leadership Institute and built YLI's national training and consulting services helping to bring youth and adults together to create more just and sustainable communities. For five years, Mr. Greco served as Senior Marketing Manager at Jossey-Bass Publishers where he launched a new social leadership publishing line focused on providing tools and resources for nonprofits and individuals engaged in social change. Mr. Greco has also served as the Corporate and Foundation Relations Manager for the National Wildlife Federation, and Director of Programs for the Horatio Alger Association working with economically disadvantaged youth. Mr. Greco is active in the community and serves in a number of volunteer positions including the Conservation and Energy Committees for the San Francisco Chapter of the Sierra Club, Global Exchange, and a Board Member for MicroChange working to link sustainable development and microfinance. Originally from Philadelphia, Mr. Greco earned his M.A. in Political Science from Villanova University and B.S. in History & Politics from Drexel University.

Renee Jacob is an Associate Director, responsible for the delivery of NFF's full range of advisory services offerings to nonprofit clients in New York, providing nonprofit senior management and board members with guidance on ways to better balance financial management with program priorities. Earlier in her career, Renee was part of NFF's Financial Services team, responsible for underwriting, closing, and monitoring loans to nonprofit clients. Prior to returning to NFF, Renee helped launch and manage the New American Schools Investment Fund, a social investment fund devoted to meeting the financing and technical assistance needs of nonprofit organizations and private companies operating in the K-12 public education sector. She has also worked on strategic charter school financing initiatives at the National Cooperative Bank Development Corporation. Renee holds an MBA from the Yale School of Management and an AB in History from Harvard University.

Garvester (Gar) Kelley joined NFF as Vice President of the Mid-Atlantic Region in January 2007. Mr. Kelley recently served as Senior Project Manager at Public/Private Ventures responsible for a multitude of projects including ex-prisoner reentry, youth violence prevention, and faith/community-based collaboratives. For the past 20 years, he has championed community economic development and individual economic self-sufficiency for marginalized people, both domestically and internationally. Mr. Kelley has served as a missionary for the Presbyterian Church (USA) in Eastern, Central and Western Africa. His service included coordination of educational programs, evangelism, community development, disaster assistance and hunger initiatives – all with an emphasis on empowerment, sustainability and local ownership. Mr. Kelley has 15 years of financial planning and management experience in the information systems, banking and telecommunications sectors. He earned his Bachelor degree in Finance from Hampton University, and the Masters of Divinity and Masters of Theology degrees from Princeton Theological Seminary.

Jessica LaBarbera rejoined NFF in May 2008 as Associate Director for the Northeast Region and in that role supports program growth and product delivery in New York and New England. She is responsible for identifying market needs and opportunities and meeting business development goals, as well as helping to lead new regional initiatives and roll out new products or services in the region. Prior to assuming this position, Ms. LaBarbera was a Vice President at Citi Community Capital, a division of Citigroup Global Markets Inc., where she provided structured financing and relationship management to national nonprofit and Community Development Financial Institution (CDFI) clients. In her previous work with NFF, Ms. LaBarbera consulted with the program and product development team assessing the impact of NFF's Nonprofit Business Analysis product and of NFF's lending to educational organizations. Ms. LaBarbera holds an MPA in Nonprofit Management from Columbia University's School of International and Public Affairs and a BA in Sociology from the University of Virginia.

William Pinakiewicz is responsible for managing NFF’s financial services, advisory services and new business development activities throughout the six-state New England region. Mr. Pinakiewicz’s professional experience includes over 35 years in management and finance in both the nonprofit and for-profit sectors. In his nearly 20 years at Citigroup, Mr. Pinakiewicz’s finance experience included senior banker roles in public finance, corporate finance and private banking, both domestically and in Europe, the Middle East, and Africa. In this work, he originated and managed numerous tax-exempt and taxable securities offerings, headed new client development groups in the U.S. and Europe and managed selected high-net-worth and corporate client advisory transactions and relationships. Both before and after Mr. Pinakiewicz’s career in finance, he was involved in education and other mission-driven nonprofits as an educator, administrator, financial advisor and trustee. Mr. Pinakiewicz has served as Treasurer and Investment Committee Chair of the Williamstown Community Chest, a funder of social service and youth organizations in Western Massachusetts, and was a Finance Committee member of the Berkshire Country Day School Board of Trustees. Mr. Pinakiewicz completed both his M.A in Educational Administration and M.B.A. in Finance at Columbia University and holds a B.A. in Psychology from Williams College where he serves as a Leadership Gift Chair in the college’s annual Alumni Fund Campaign.

Alice Richardson joined Nonprofit Finance Fund in 2002 and is responsible for leading financial consulting and advisory services initiatives; playing a leadership role in the delivery and product development of the Nonprofit Business Analysis; and cultivating and managing client relationships. Prior to joining NFF she worked for 10 years at JPMorgan Chase in New York (formerly J.P. Morgan & Co. Inc.). Her most recent position there was as Vice President for the Community Development Corporation. She has been very active in her community having volunteered as a fundraiser for Alzheimer’s Association, City Harvest, Habitat for Humanity and Building with Books. Ms. Richardson has an MBA from The Wharton School, University of Pennsylvania and a BS from St. Lawrence University.

Shilpi Shah joined NFF in February 2007 and works with Advisory Services to deliver the Nonprofit Business Analysis. Prior to joining NFF, Ms. Shah worked with Aperio, a consulting firm that serves nonprofits and social enterprises. In this role, she developed strategic growth and business plans with an emphasis on financial and market analysis. Ms. Shah has also worked as an independent consultant within the nonprofit sector; at Seedco, a New York-based CDFI, where she provided financial and management technical assistance to nonprofits; and at Covansys, where she was responsible for e-commerce projects and software development. Ms. Shah has an MBA from Columbia University and a BSE in Bioengineering from the University of Pennsylvania.

Rebecca Thomas advises nonprofits and their funders in areas of financial planning and management. As Vice President of NFF’s national advisory services business, she oversees the development of organizational capacity to provide financial consulting activities nationwide. Responsibilities encompass product management and development, initiative design, staff training, and quality assurance. Before entering the nonprofit sector, Ms. Thomas served as Senior Economics Correspondent for Smartmoney.com, a personal finance magazine jointly published by Dow Jones and Hearst. At Smartmoney, she covered economic developments and financial markets, and appeared as a commentator on CNNfn, MSNBC, and Fox. She serves on the boards of the Rock School for Dance Education and Thirteenth Night Theatre, and participates on the Finance Committee of the Lark Play Development Center. Ms. Thomas received an MBA from Columbia University’s Graduate School of Business and graduated from Yale University with a B.A in French and International Studies.

Initiative Resource Table		
Geography	Lead Senior Provider from Biography List Above	Number of Dedicated Support Analyst(s) and/or Associate(s)
Western Region	David Greco, Vice President	5
Mid-Atlantic and Southeastern Region	Garvester Kelley, Vice President	5
Midwestern Region	Shilpi Shah, Associate Director	2

New York and Surrounding Metropolitan Area	Kristin Giantris, Vice President Renee Jacob, Associate Director Jessica LaBarbera, Associate Director	6
Greater New England	William Pinakiewicz, Director	4
National (not region-specific)	Rodney Christopher, Vice President Rebecca Thomas, Vice President Alice Richardson, Associate Director Paul Bennett, Director	4

REFERENCES

Philanthropies

Tiger Foundation - Amy Barger, Senior Program Officer, Amy.Barger@Tigerfoundation.org, 212.984.2565
 Since 2007, the Tiger Foundation and NFF have effectively collaborated to support a number of the Tiger Foundation grantees in the area of financial literacy and nonprofit capitalization. In addition to numerous workshops and small group clinics, NFF has provided its full range of one-on-one advisory services to over 40 Tiger grantees in the last four years. Nonprofit clients have gained a much greater understanding of capital structure and how changes in capital structure serve as useful indicators on the direction and status of programs and the overall organization.

Bill and Melinda Gates Foundation - Marc Johnson, Program Officer, Marc.Johnson@gatesfoundation.org, 206.709.3614
 Nonprofit Finance Fund and Bill & Melinda Gates Foundation have been working to build financial sustainability in a wide range of grantee organizations including charter schools, school intermediaries, Gates Millennium Scholars providers, family homelessness programs, and local community foundations. As the Foundation seeks to ensure the sustainability of the strategies it supports and the health of organizations engaged in those strategies, NFF is providing critical financial sustainability planning services and support to key/leading grantees in the portfolio.

Community Foundation for Greater Atlanta – Lesley Grady, Vice President, lgrady@cfgreateratlanta.org, 404.588.3185
 Beginning in early 2009, NFF and the Community Foundation for Greater Atlanta developed a multi-tiered program for technical assistance and support to Foundation grantees. The program culminated with a sector-based cohort analysis of key Foundation grantees – allowing Foundation staff, grant managers and program officers to better understand grantees’ business models, and as such, their specific and varying revenue needs. NFF then continued to develop a year-long engagement with designated grantees, including workshops, such as *Linking Money to Mission in a Changing Economy*, which provided an overview of nonprofit accounting and shared financial management practices with the attendees. Workshops were followed by consultations to work individually with organizations on a wide variety of financial concerns such as:

- Clarification and improved understanding regarding their own financial statements
- Board communication concerning the organization’s financial position (e.g. appropriate reports, key financial indicators, etc.)
- Appropriate roles and staffing infrastructure in a growing organization
- Scenario planning and risk management in a challenging funding environment.

NFF will build upon these individual consultations by offering Nonprofit Business Analyses and other Customized Advisory Services with recipients to be selected by the foundation.

Nonprofit Organizations

Expeditionary Learning Schools (ELS) – Scott Hartl, President & CEO &, shartl@elschools.org, 413.253.7707;
 Tom VanWinkle, COO, tvanwinkle@elschools.org, 608.238.6890r

ELS, a 150 school network, currently operating within the Outward Bound structure, is contemplating alternatives for going forward as an independent entity. NFF has worked with ELS to clarify its working capital needs as a standalone enterprise, and to articulate a long-term business model and design a growth capital and sustainability model for the organization. NFF has provided an analysis of business models currently employed by peers, which was then used to create a model for running different financial scenarios. As a financial input for ELS' strategic development process, NFF also built a scenario tool that describes how sustainability economics and growth capital requirements are affected by a range of strategic options. With NFF assistance, ELS was able to explore sensitivities and begin laying out what a well-reasoned future cost structure and capital structure may look like. NFF trained ELS staff on the model so that the organization can continue to play with levers, e.g. number of schools, price per engagement, local vs. national fundraising etc., as new assumptions are made.

Asian Americans for Community Involvement (AACI) - Michele Lew, President and CEO, michele.lew@aaci.org, 408.975.2730, ext. 103

Asian Americans for Community Service (AACI) is an \$11million multi-service agency, which also includes a \$1million culturally specific domestic violence program that includes an emergency shelter, a 24-hour hotline and other outreach services. NFF provided a NBA and scenario planning for their domestic violence program and will be providing an update to their NBA and staff and board training in nonprofit finance/making good management decisions around finance, next month. The domestic violence program has run substantial deficits in recent years--deficits which have been subsidized internally by the organization's rental income. The current year deficit is approximately 20% of the budget. Given current cutbacks in funding, the leadership discussed significantly scaling back the domestic violence program, but eventually opted not to because it was deemed the program "most core to mission". The domestic violence budget for the upcoming year has contracted somewhat; however, there is still a great deal of uncertainty as to what sources of revenue will actually materialize for the program. AACI retained NFF to assist them with Scenario Planning for the domestic violence program to determine financial "triggers" for mid-course corrections. AACI's domestic violence program is the most complex to plan for, largely due to the multiple sources of funding (government and private), much of which is restricted to specific line items and geographies, among other restrictions.

St. Barnabas Senior Services ("St. Barnabas" or "SBSS") - Rebecca Benard, VP, Development & Strategic Initiatives, rbenard@sbsla.org, 805.649.8722

St. Barnabas is the longest standing senior service agency in Los Angeles, with more than 100 years of experience serving aging and poor people residing in the urban center of Los Angeles. The organization has a mission to provide and promote a continuum of innovative services that empower a diverse community of elders to live well, feel well and age well. St. Barnabas is recognized as a center of excellence for programmatic innovation, multi-layered services and dedication to serving diverse communities. The organization attended a Los Angeles-based NFF workshop and sought assistance from NFF related to managing recession-driven government funding, evaluating its overall financial health, assessing program profitability, and considering new sustainable operating strategies. To address these issues, NFF provided SBSS a Financial Situation Analysis (FSA) and a Program Profitability Model (PPM). NFF also provided additional support as follows: (1) guidance about making format changes to its audited financial statements to increase management and Board's ability to effectively use the audits to make decisions; (2) NFF's Systems Replacement Plan template and guidance about planning for the repair and replacement of fixed assets by assessing the natural lifespan of major fixed assets and saving as part of a long-term plan; (3) initial guidance about using the PPM to engage in scenario planning as a means of making difficult management decisions, such as how to reduce a program, in advance. NFF's consulting services were intended to assist management in taking a deep look at the organization's financial health in order to address current and potential vulnerabilities so that they can continue to provide critical care and support to the underserved aging population in downtown Los Angeles.