



CHECKLIST

# Empower Your Nonprofit with a Financial Planning & Analysis Solution

Most nonprofits have to manage tighter margins than for-profit industries, which leads to many organizations needing to figure out the age-old question of how to do more with less. The path to success isn't about cutting corners but rather utilizing the tools available to help your organization work more efficiently and strategically. A corporate performance management (CPM) system is a type of tool that offers nonprofits a solution to their industry-specific financial planning and analysis (FP&A) challenges.

Our CPM checklist can help you identify what to look for in a potential solution, how it should integrate into your technology ecosystem, and how it can improve your nonprofit's FP&A function.

### **Key Features to Consider When Evaluating a CPM Solution for Your Nonprofit:**



#### **Expands your cost allocation modeling capabilities.**

It should be able to run scenarios to better predict how to allocate overhead accurately with functionalities for program expense budgeting, grant planning and personnel planning.



#### **Offers robust revenue modeling.**

Your solution should provide a means to address shifts in revenue standards and mix. It should also enable you to track trends and variances in sources of funding such as contributions, grant revenue, event ticketing, membership fees or other service offerings.



#### **Increases your revenue planning flexibility.**

The CPM solution should give you the ability to adjust budget models and duplicate budgets with greater frequency and accuracy.



#### **Includes automation capabilities.**

Eliminate repetitive and error-prone manual tasks that can save your team time such as batching purchases, expense reporting and reimbursement, and the calculations of amounts and population of results in your budget models.



#### **Gives the ability to report by fund or program.**

This is critical to improving visibility and reporting to donors and funders. It also streamlines the gathering of information from your general ledger for reporting to donors and other stakeholders.



**Provides your organization key information for data and analytics.**

The ways your solution enables this can be by giving you access to real-time reporting, allowing you to track spending by program and grant, and streamlining financial consolidations. It should also have revenue specific features that strengthen your reporting, tracking and planning of your various revenue streams.

**Automates data integration from a variety of source systems such as your ERP or POS data.**

Your CPM should automatically provide the information necessary to reconcile your operational and financial data while giving you the ability to drill down into that data as needed.

**Enables your teams to use their time more efficiently.**

By automating mundane repetitive tasks, your people can focus more on analysis than on data gathering and data entry.

**Facilitates strategic partnerships with department leaders.**

With the increased access to accurate and timely FP&A data that your team can deliver to stakeholders, a CPM should help initiate the change from a top-down to a collaborative bottom-up approach that engages the entire organization behind initiatives and helps increase involvement at all levels of your organization.

**Acts as a catalyst that transforms your organization's FP&A process from reactive and reflective to proactive and strategic.**

The most significant benefit your organization can realize from a CPM is how the tool can improve your internal processes and give you access to data that enables your organization to be more forward thinking in its strategies, better prepared to address risks and take advantage of opportunities when they arise.

**CONTACT**

Brianna Johnston  
Armanino, Manager, Consulting



630-868-5054



[Brianna.Johnston@armaninollp.com](mailto:Brianna.Johnston@armaninollp.com)