AcctTwo

Faith-Based Finance Collaborative

AcctTwo is focused on delivering the future of finance and accounting to our customers.

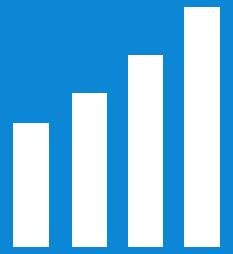
Our dedicated team of over 100 people has helped more than 800 organizations optimize finance and accounting through software implementations, accounting outsourcing, and consulting.

AcctTwo has been recognized by Sage Intacct as its Partner of the Year from 2014 – 2018 and by our customers as a leader in overall satisfaction and popularity through their reviews on G2.

Learn more at www.accttwo.com

CLOUD-BASED ACCOUNTING SOFTWARE

Grow your organization with the Cloud ERP that's #1 in customer satisfaction.



MANAGED ACCOUNTING SERVICES

By outsourcing your accounting, you gain the freedom to focus on your mission.

SOFTWARE DEVELOPMENT

Go the last mile of your financial journey with Sage Intacct+ to create a customized application to fit your organization.

CPE CREDIT FOR THIS COURSE

There are three things needed in order for you to receive CPE credit for the course you are attending:

1. Sign the sign-in sheet for each course.
2. At the end of each course, you will receive a reminder to complete your course survey, and it will have a link to all surveys. Please only fill out the one for the course you just attended. You can also do this after the event if you don't have time in between sessions. And PLEASE don't forget to include your name, so we will know who to give credit to.
3. There will also be printable certificates available for you to download at the end of the conference. Please be sure to attend our last session to find out more!

<u>Without these items we are not properly able to credit you for this course.</u>

SESSION OBJECTIVES

At the end of this session you will be able to understand the following KPI's:

- Donor Metrics
  - Online Gift %
  - Donation Growth – Seasonal Data
  - Donor Growth (Year over Year)
  - Donor Retention Rate – % of donors who continue to donate to your mission after 1st gift
  - Recurring Gift %
- Fundraising ROI
  - Calculate gain on money invested in fundraising efforts
  - Fundraising Expense %
  - Donor Acquisition Costs (DAC)
- Outreach / Program Metrics
  - Outreach - Attendance
  - Outreach – Program Metrics

STEPHEN STRACK

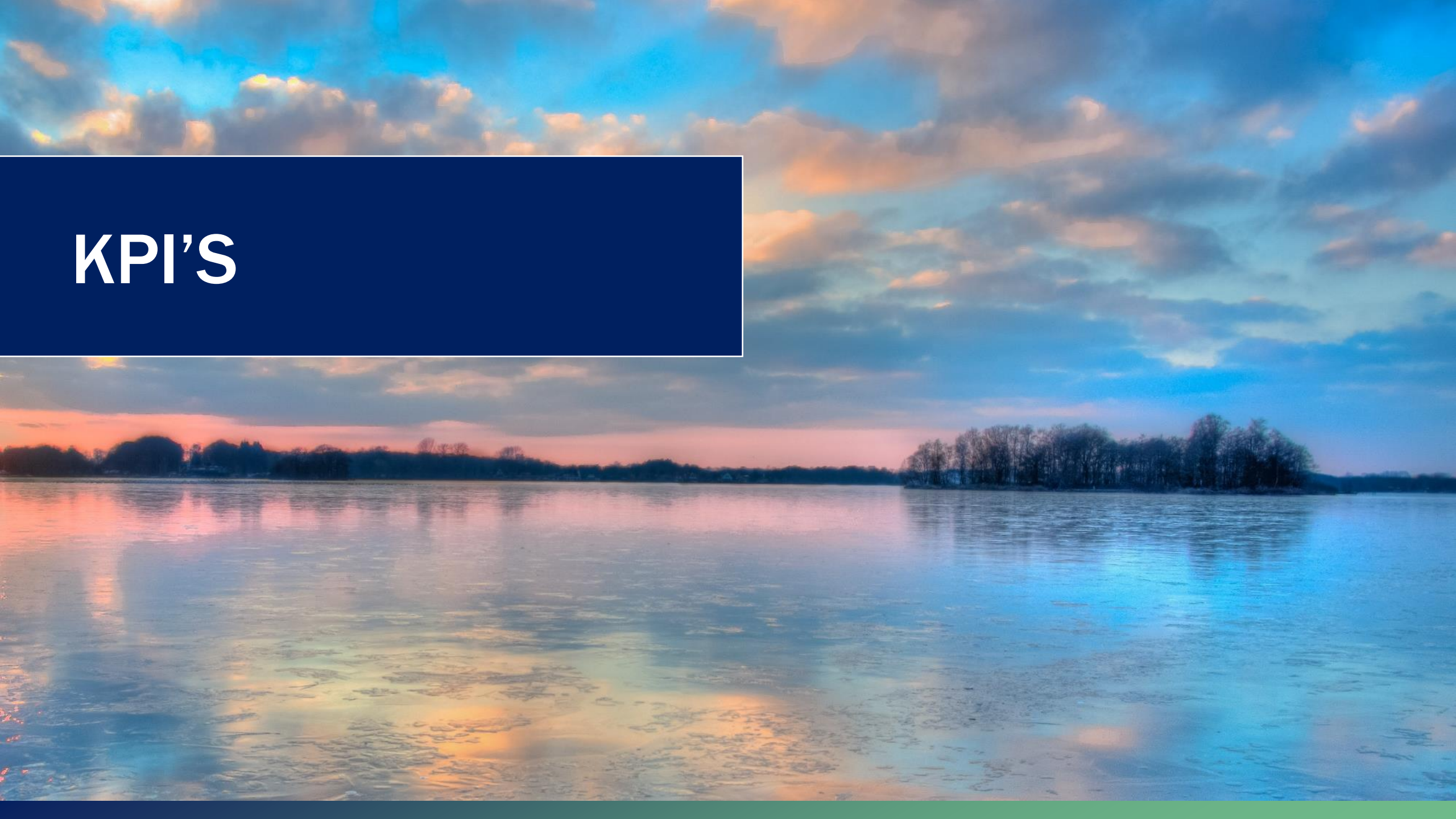
Solution Architect
AcctTwo

Stephen Strack received his BA in Information Technology Services from the University of Texas at Dallas. Stephen currently works as a Solution Architect for AcctTwo. In his free time, Stephen enjoys sports, board games, and all things technology.

BRENDA JACINTO

Director, Managed Accounting Services
AcctTwo

Brenda Jacinto received her BBA in Accounting from Texas Woman's University. She is an accounting professional with over 20 years of combined experience in public, corporate and not-for-profit accounting. Her experience includes over 17 years serving non-profits such as Make A Wish Foundation of North Texas, international mission organizations and church organizations. Brenda joined AcctTwo in 2016 and is currently the Director of Finance for Managed Accounting Services.



KPI’S

KEY PERFORMANCE INDICATORS

WHY ARE KPI'S IMPORTANT?

In business, the universal language of success is profit. For non-profits the measurement of success is not as easily understood.

Let's explore Key Performance Indicators and their role in the success of a non-profit.

WHY TRACK?

You can track anything! But not everything should be tracked, ideally only KPI's that are "actionable".

What information will help you make key decisions that will help your organization grow. With that said a metric should be an easy repeatable metric that gives you insight. Starting with the end in mind helps you narrow down metrics.

Relevant Key Performance Indicators will help you do the following:

- Follow trends
- Allow you to make decisions
- Adapt to changes
- Forecast
- Visibility to patterns

OUTREACH METRICS

OUTREACH METRICS

How do you measure what matters?

Tracking your performance against your stated mission is important in determining your non profits success, as well as measuring mobilization of resources and people.

In short Measured Metrics = Insight.

OUTREACH METRICS

OUTREACH METRICS

CHURCHES

- # of Baptism
- # of Meals Served
- Group Participation
- # of FTEs as compared to attendance

HOMELESS SHELTER

- Meals served
- # of Beds Filled
- Family count vs Individuals

COMMUNITY HEALTH

- # of Health Screenings
- Care Management
- Community Health Education

MISSION SENDING ORGANIZATION

- # of Missionaries
- # of Mission Trips
- # of Trip Participants
- Trips by Region

DONOR METRICS

DONOR METRICS

Donations are cyclical in nature thus having an intimate understanding of your donor giving cycle and how it lines up with your internal benchmarks is critical.

- Online Gift %
  - Have you removed obstacles in giving? Is it as easy as possible to give? Is the % going up, flat?
  - Online Gift Total / Total Gifts ; upward trend especially after system changes or communication
- Donation Growth
  - Tracking gifts over a span of time to ensure fundraising goals are met
  - Following trends in giving Month over Month, Year over Year giving allows you to forecast and keep a pulse on the future
- Donor Growth (Year over Year)
  - Are you adding new donors? At what rate are new donors engaging? Is this better than last year, worse? This is a leading indicator for your organization
- Donor Retention Rate
  - # of donors who gave last year AND this year / # of Total Donors
  - What % of donors continue to donate to your mission after 1st gift, 2nd gift? Are they scheduled for recurring gifts?
  - Develop new strategies for retention – marketing your impact, launching campaigns,
- Recurring Gift %
  - # of donors with recurring gifts / # of total gifts
- Average Gift Size Growth
  - Measures the % of growth in your average gift size has increased over a specific period

FUNDRAISING METRICS

FUNDRAISING KPI'S

- Calculate gain on money invested in fundraising efforts
- Fundraising Return on Investment (ROI)
- Fundraising Cost
- Donor Acquisition Costs (DAC)
- Cost per Dollar Raised (CPDR)

FUNDRAISING METRICS

Donations are cyclical in nature thus having an intimate understanding of your donor giving cycle and how it lines up with your internal benchmarks is critical.

- Fundraising Return on Investment (ROI)
  - Divide Revenue by Expenses
  - A number greater than one indicates effectiveness of strategic changes implemented to increase revenue
  - Evaluates marketing and fundraising initiatives
  - Very similar to CPDR
- Fundraising Costs
  - Fundraising Expenses divided by Total Revenues
  - Example $55,000 Fundraising Expenses, $365,000 Revenue Raised = Fundraising Costs is .15 per dollar raised
- Donor Acquisition Costs (DAC)
  - Cost of all marketing and appeals divided by # of donors acquired over a given period
- Cost per Dollar Raised (CPDR)
  - Divide Expenses by Revenue for specific campaign/fundraiser
  - Did you come out ahead? Break Even? Lose Money?
  - Helpful if you are in expense cutting mode

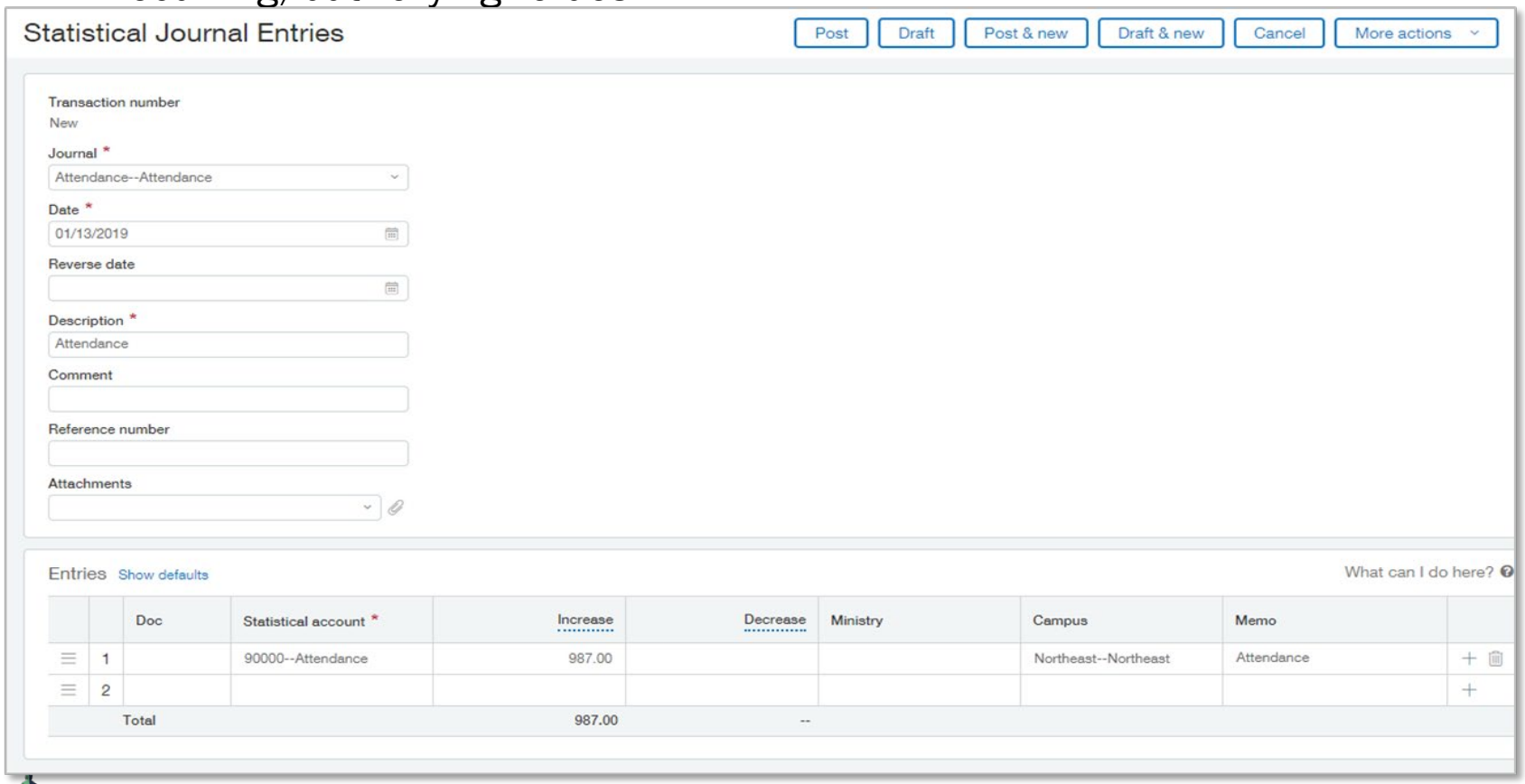
CREATING KPI’S

CREATING THE DATA

- Financial data
  - Data likely already available in Intacct
- Statistical Data
  - Data can be inputted via statistical journal entries

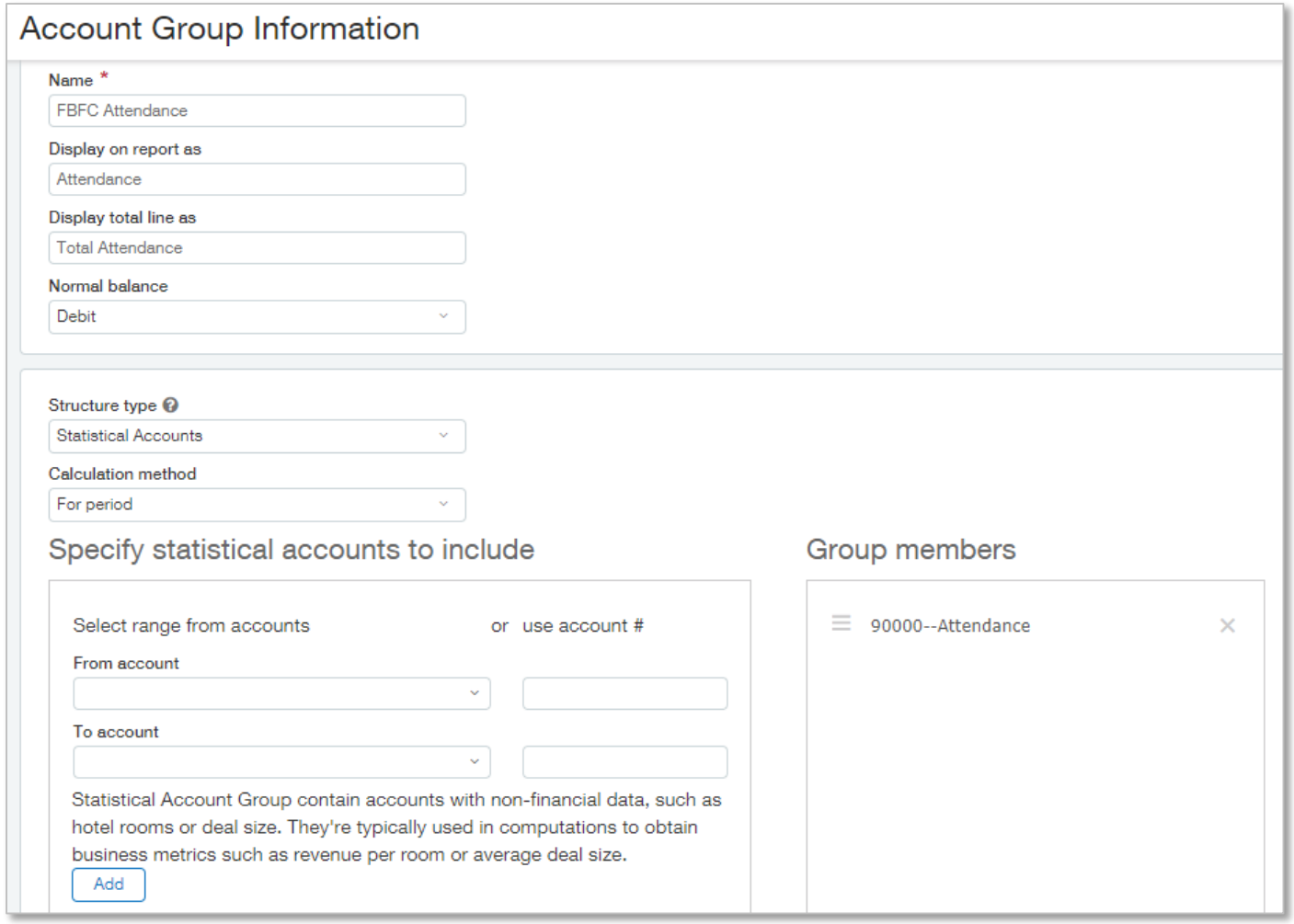
CREATING THE DATA - ATTENDANCE

- Statistical Journal Entry
  - Recurring, but varying values
- Different fields and prerequisites than financial transactions



GROUPING THE DATA – ATTENDANCE

- Name
- Normal balance
- Structure Type
- Calculation method
- Account selection



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CREATING THE DATA – FUNDRAISING COST

$$\frac{\text{Fundraising Expenses}}{\text{Contributions}}$$

- Requisite financial data likely already exists
  - Contributions and expenses are already inputted into Intacct
  - Must determine what GL/dimensional activity to include

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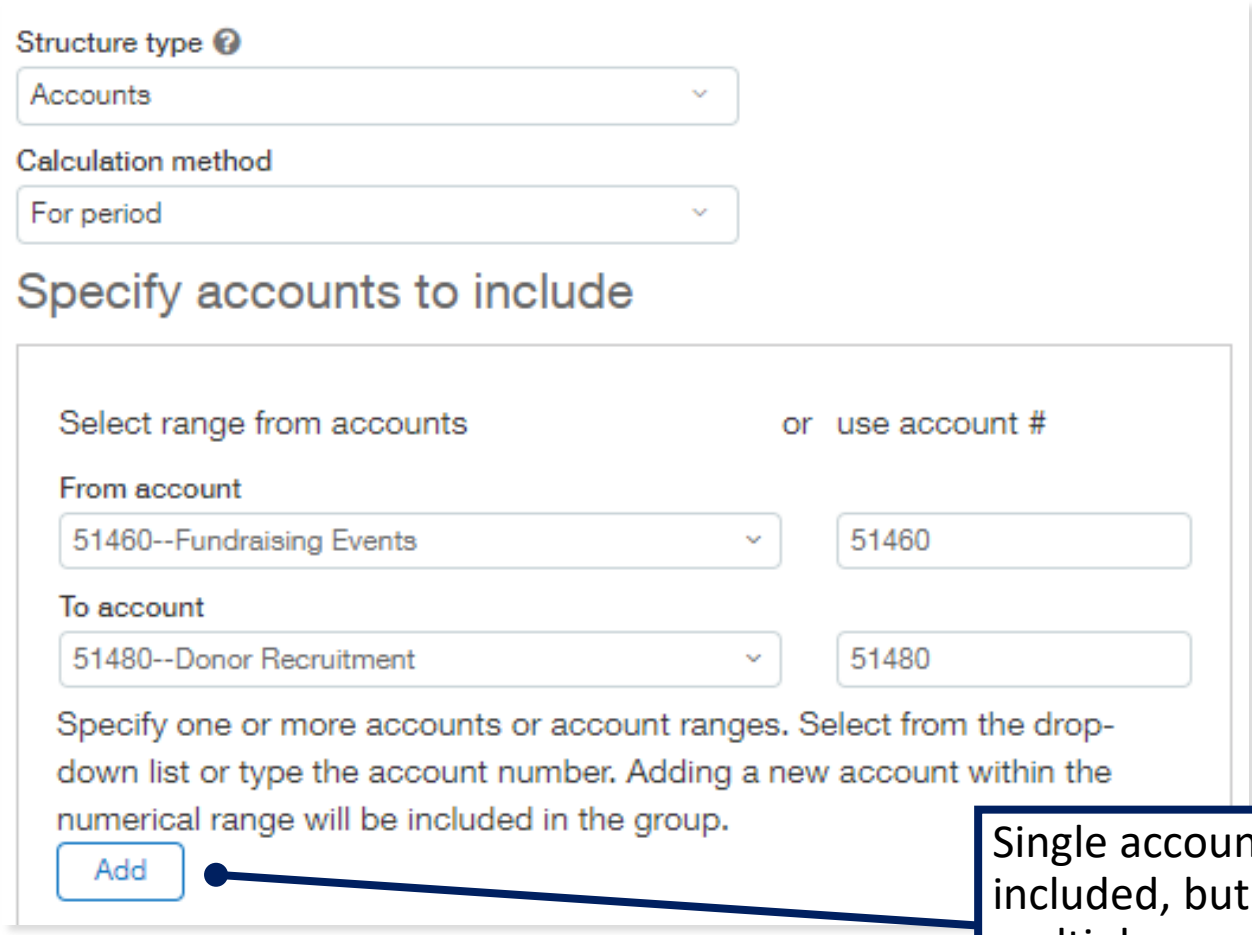
GROUPING THE DATA – FUNDRAISING COST

Fundraising expense account group:



Single account range included, but including multiple account ranges is feasible.

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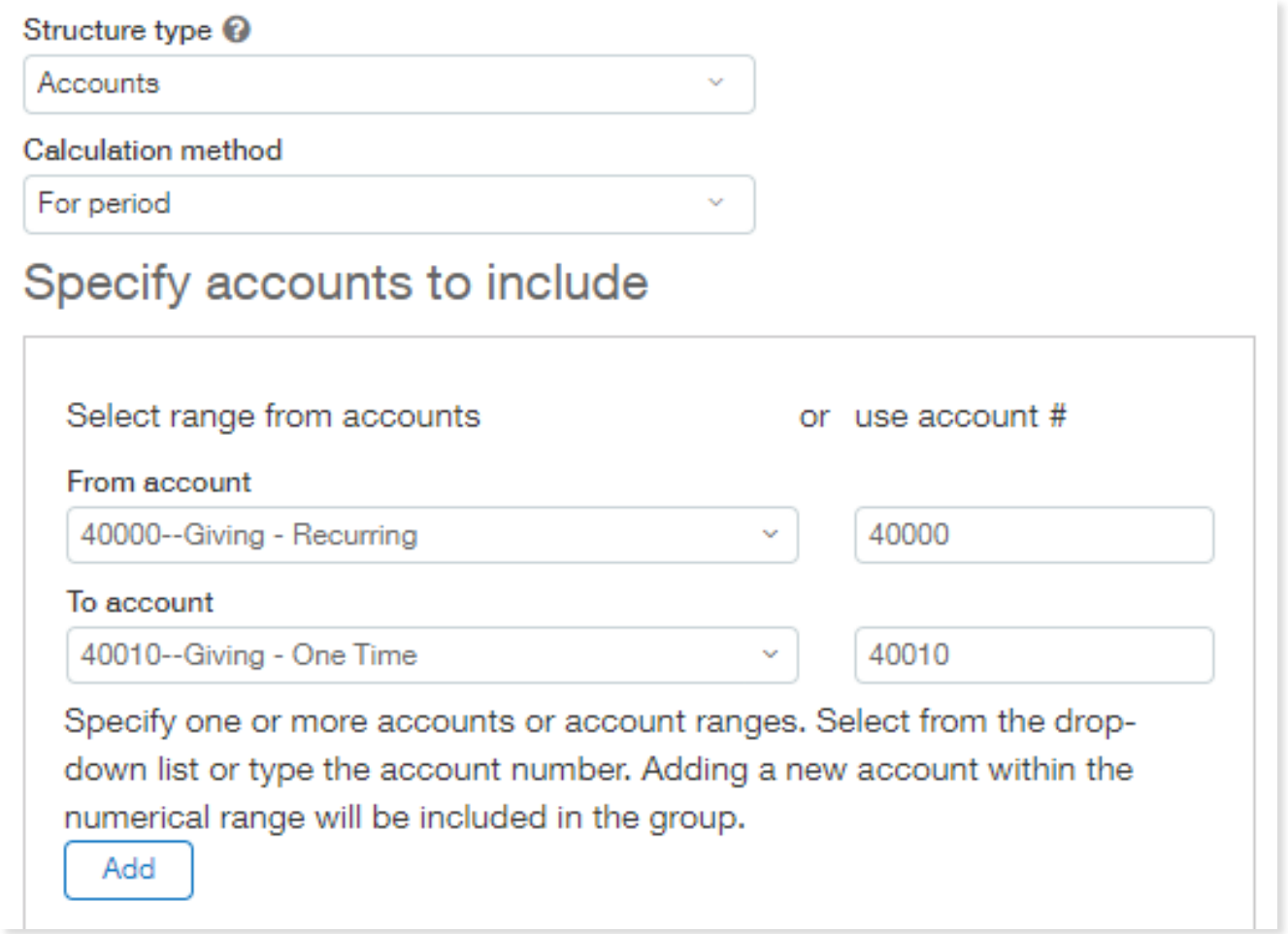
GROUPING THE DATA – FUNDRAISING COST

Contributions account group:



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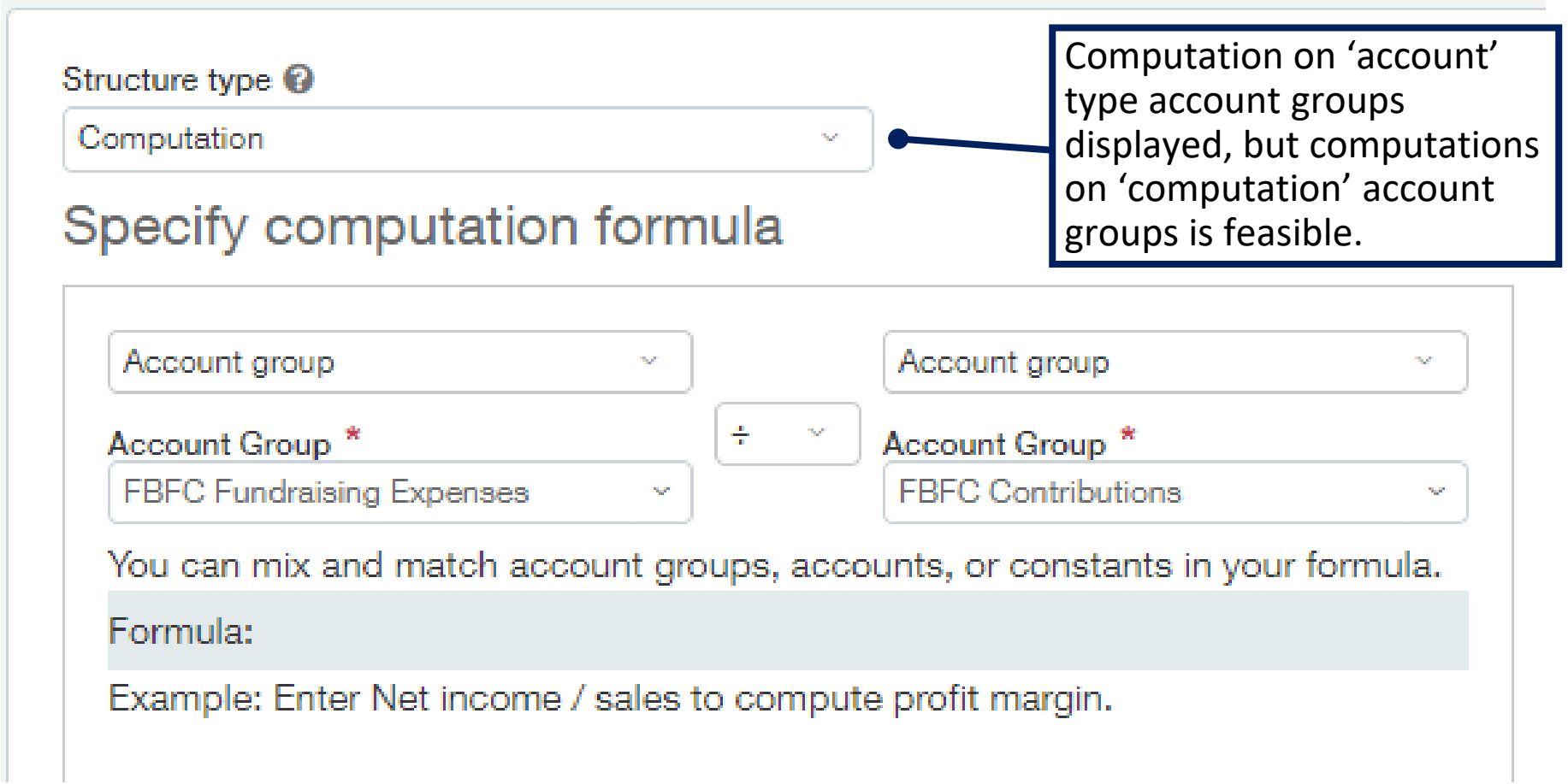
GROUPING THE DATA – FUNDRAISING COST

Fundraising Cost Computation Account Group



Computation on 'account' type account groups displayed, but computations on 'computation' account groups is feasible.

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CREATING THE DATA – AVERAGE GIVING SIZE GROWTH

AVERAGE GIVING SIZE

$$\frac{\text{Contributions}}{\text{\# of Gifts}}$$

AVERAGE GIVING SIZE GROWTH

$$\frac{\text{Average Giving Size CM} - \text{Average Giving Size PM}}{\text{Average Giving Size PM}}$$

- Requisite contribution financial data likely already exists
  - # of Gifts entered as statistical entries
  - Must determine what GL/dimensional activity to include

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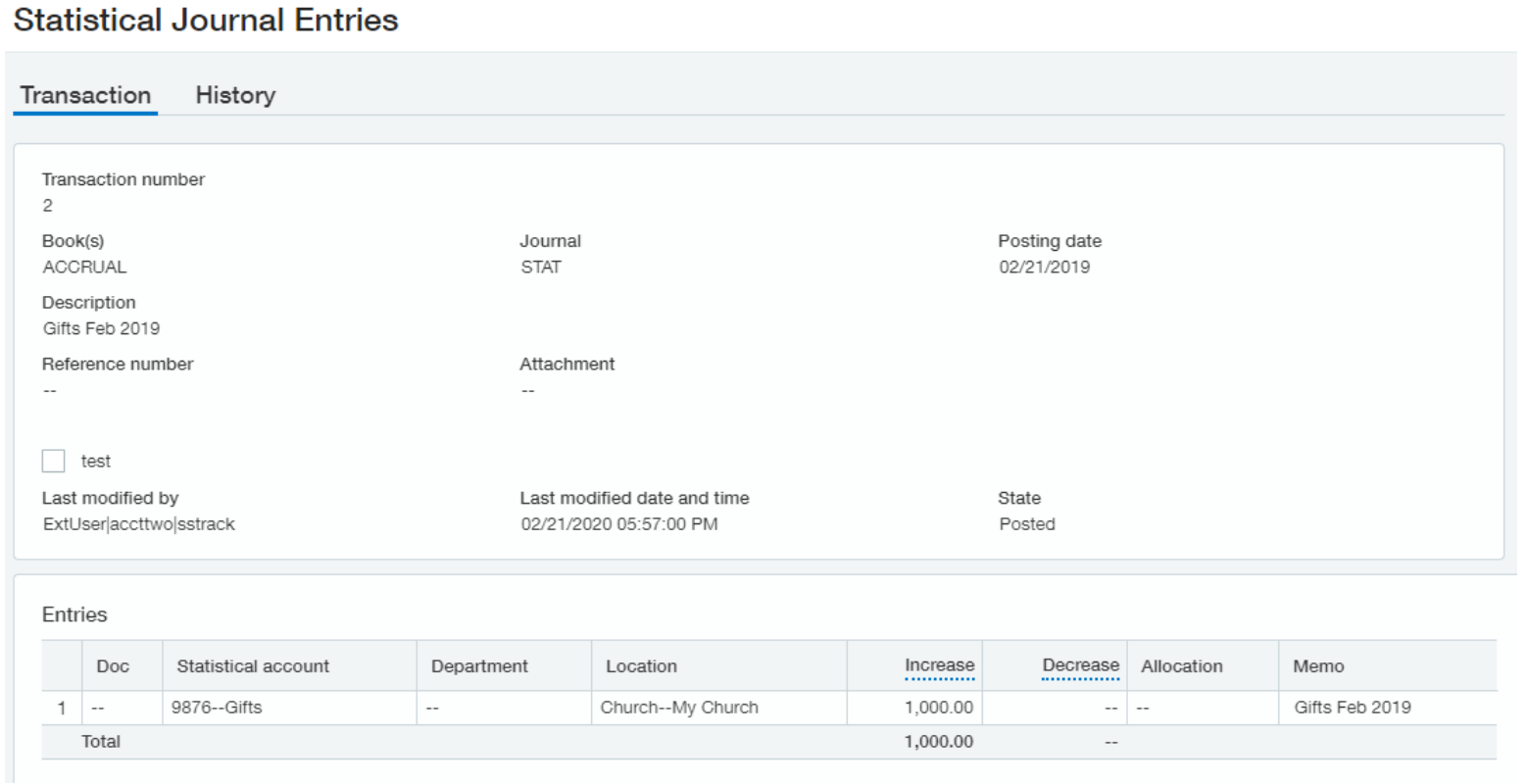
CREATING THE DATA – NUMBER OF GIFTS

- Statistical Journal Entry
  - Recurring, but varying values
- Different fields and prerequisites than financial transactions



DISPLAYING KPI’S

KPI DISPLAY METHODS

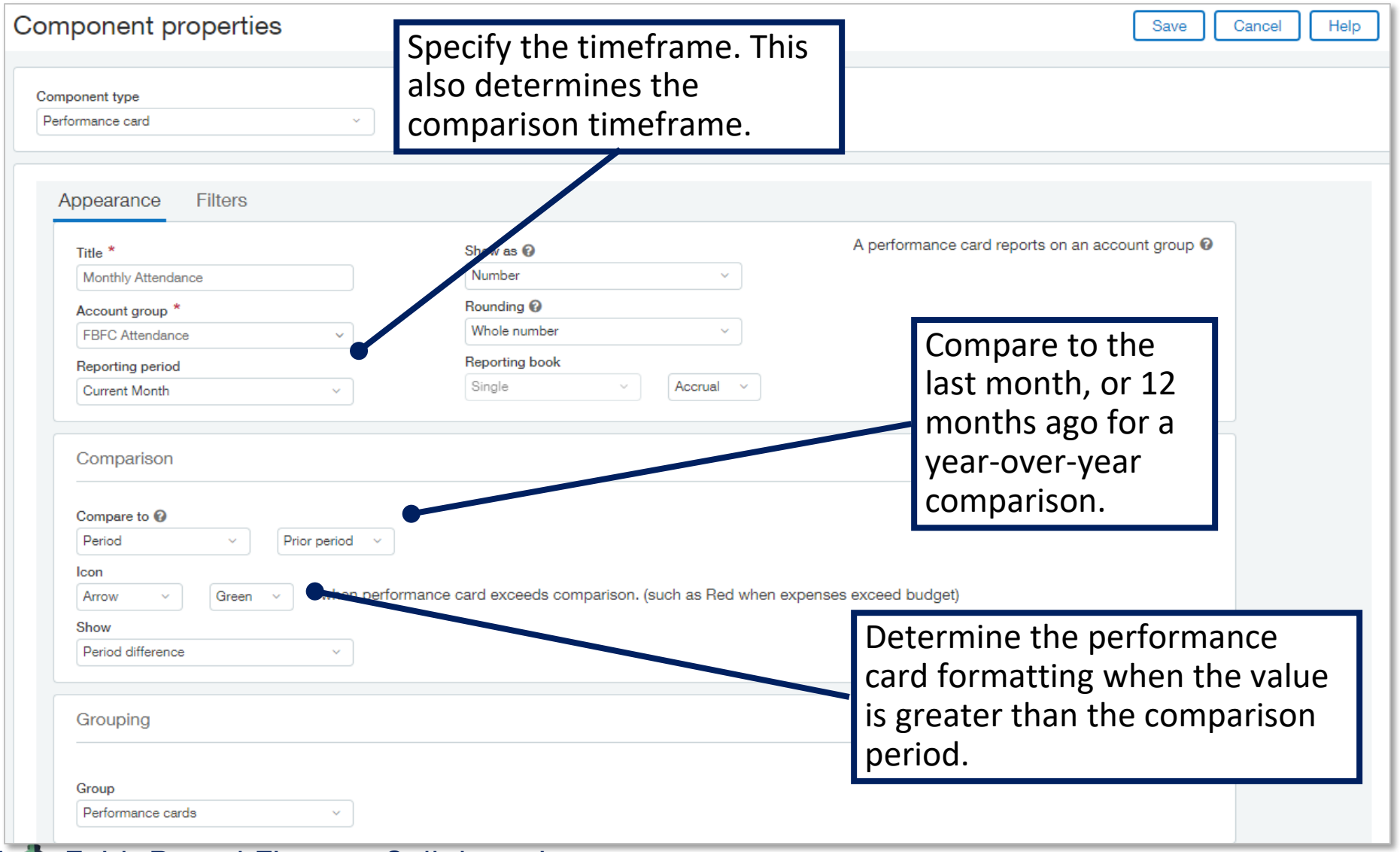
Financial Reports

Custom Reports

Dashboards - Performance Cards

Graphs

DASHBOARDS – ADDING PERFORMANCE CARDS



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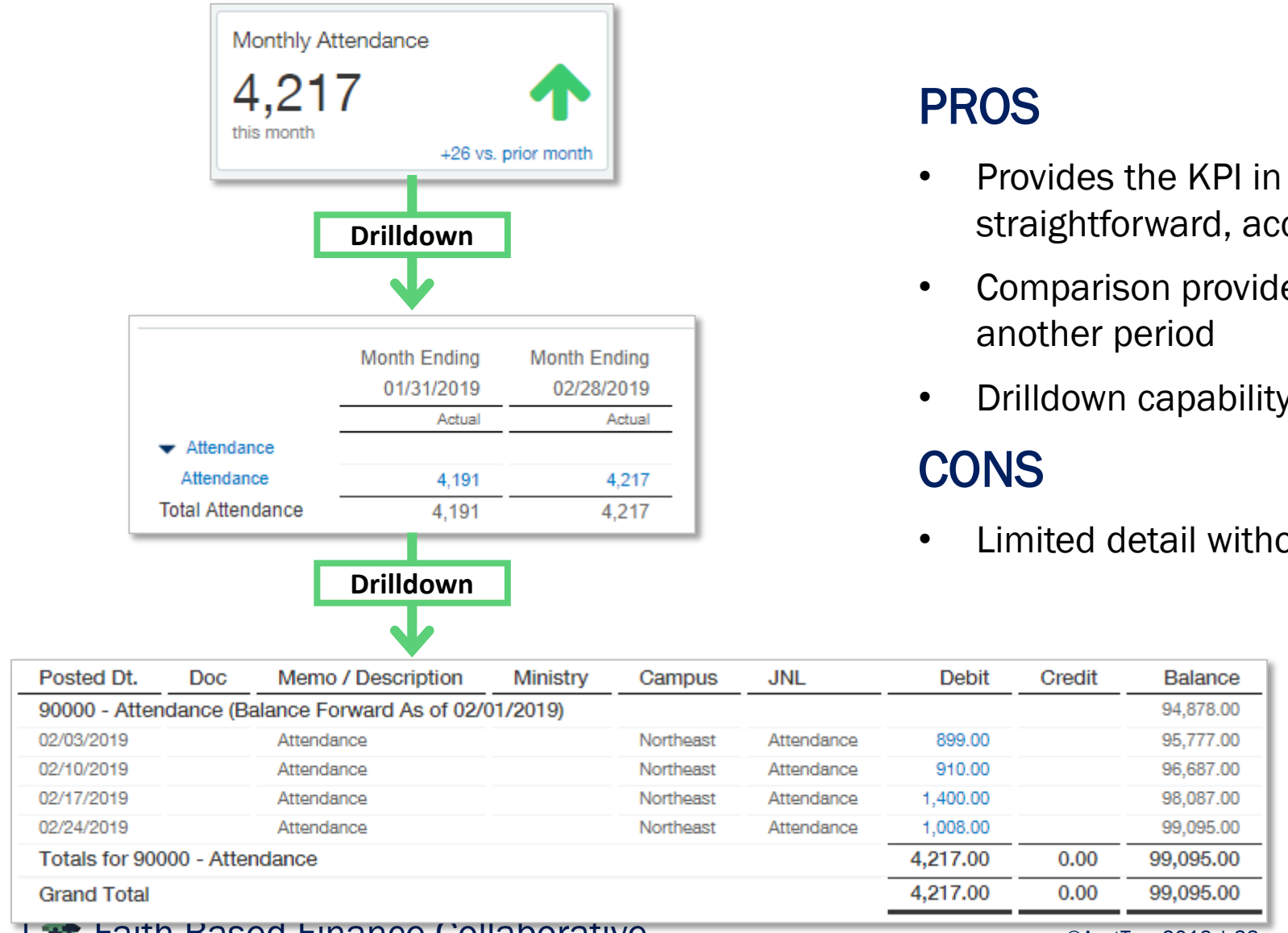
DASHBOARDS – DISPLAYING PERFORMANCE CARDS



Posted Dt.	Doc	Memo / Description	Ministry	Campus	JNL	Debit	Credit	Balance
90000 - Attendance (Balance Forward As of 02/01/2019)								94,878.00
02/03/2019		Attendance		Northeast	Attendance	899.00		95,777.00
02/10/2019		Attendance		Northeast	Attendance	910.00		96,687.00
02/17/2019		Attendance		Northeast	Attendance	1,400.00		98,087.00
02/24/2019		Attendance		Northeast	Attendance	1,008.00		99,095.00
Totals for 90000 - Attendance						4,217.00	0.00	99,095.00
Grand Total						4,217.00	0.00	99,095.00

PROS

- Provides the KPI in a straightforward, accessible format
- Comparison provided against another period
- Drilldown capability available

CONS

- Limited detail without drilldown

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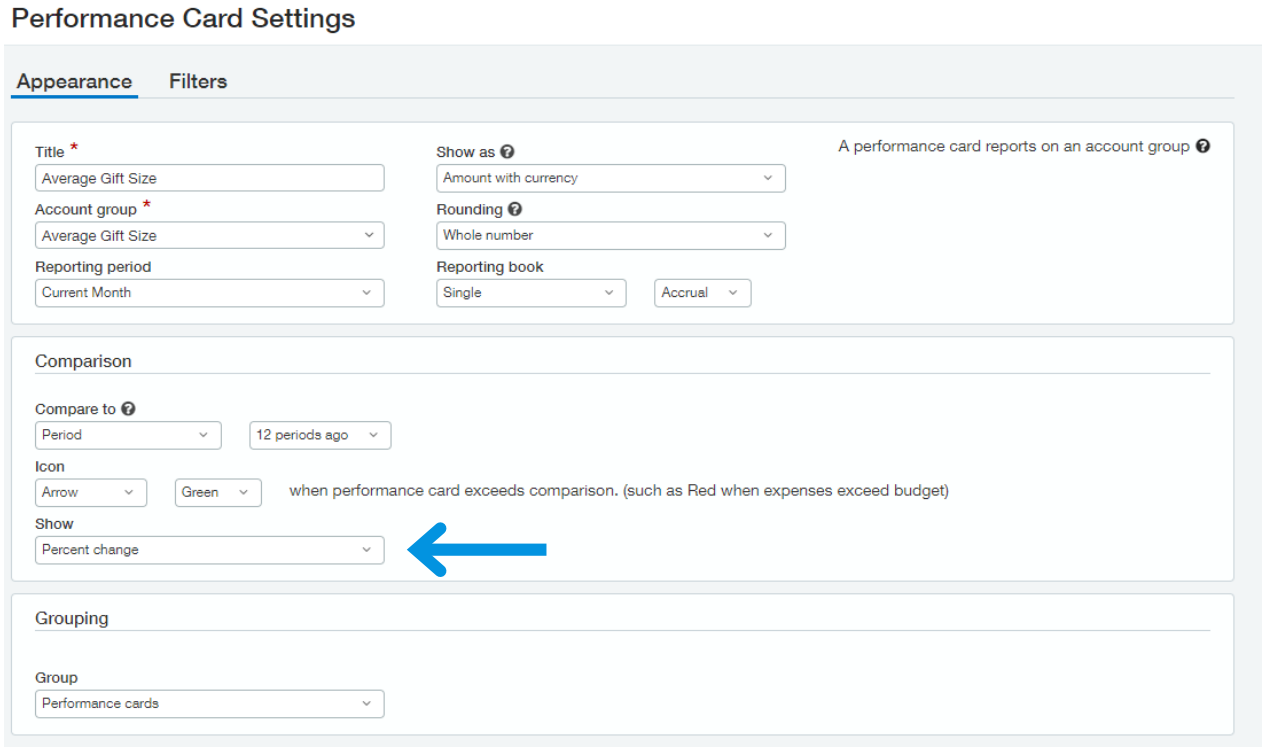
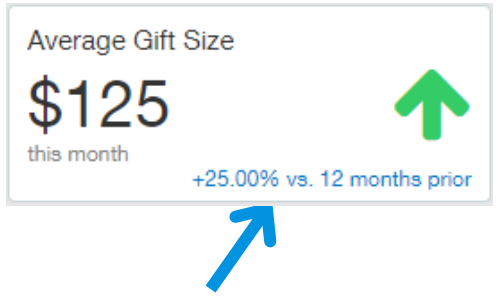
DASHBOARDS – AVERAGE GIFT SIZE GROWTH KPI





- Shows the average gift size and the growth, assuming 'Percent change' is selected.
- Comparison provided against another period

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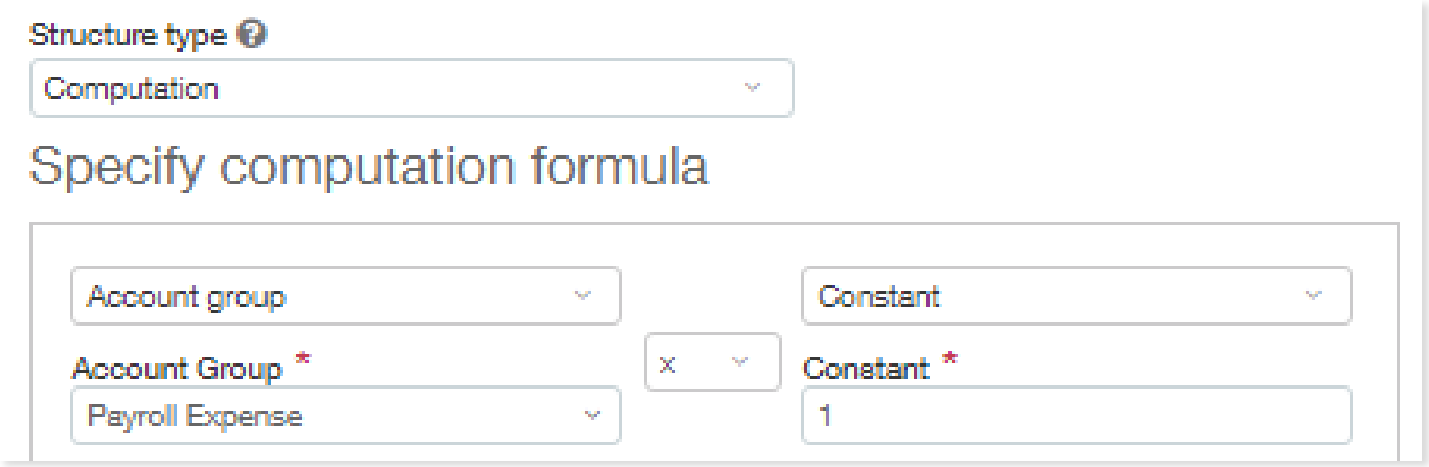
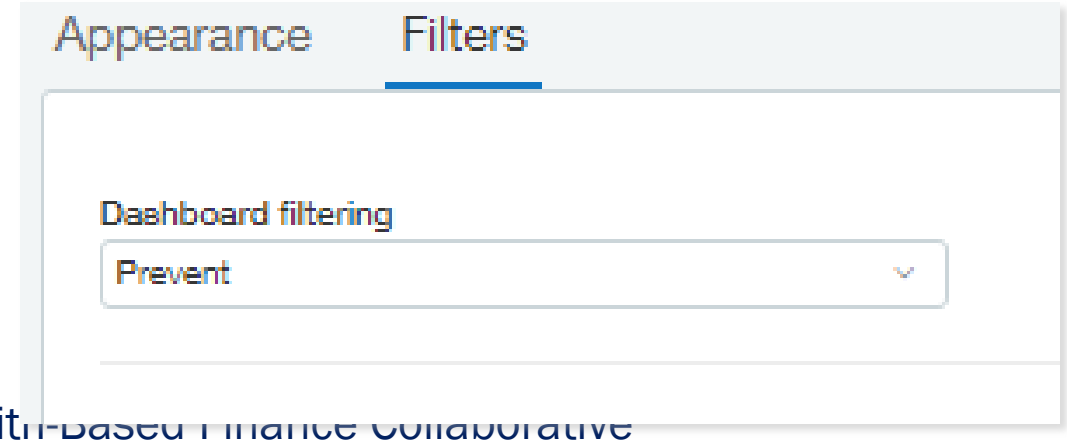
DASHBOARDS – PERFORMANCE CARDS – NO DRILLDOWN

Building the account group:



Building the performance card component:



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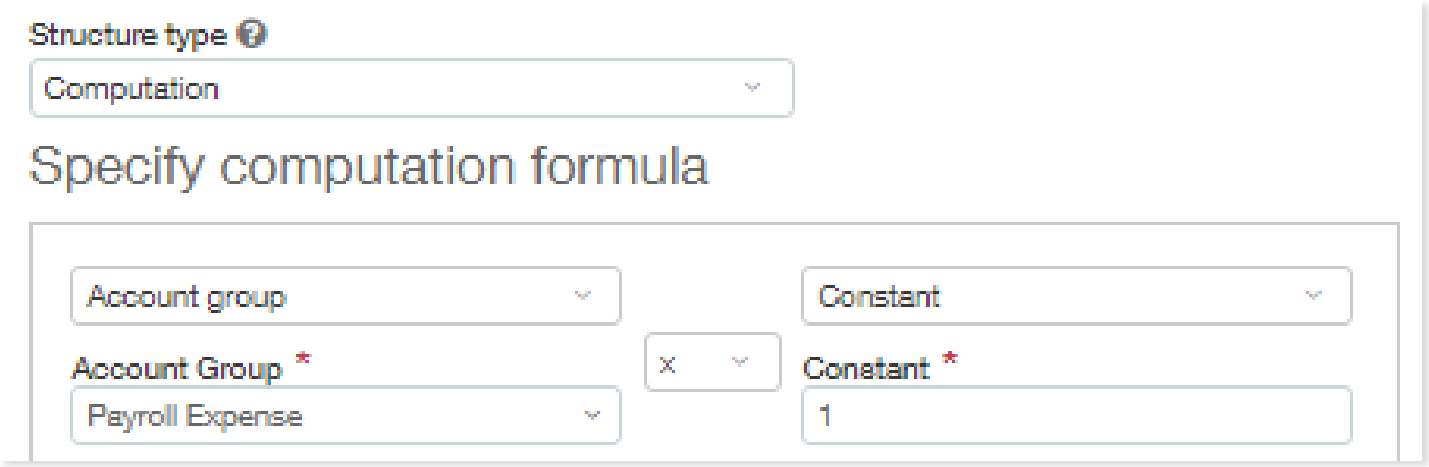
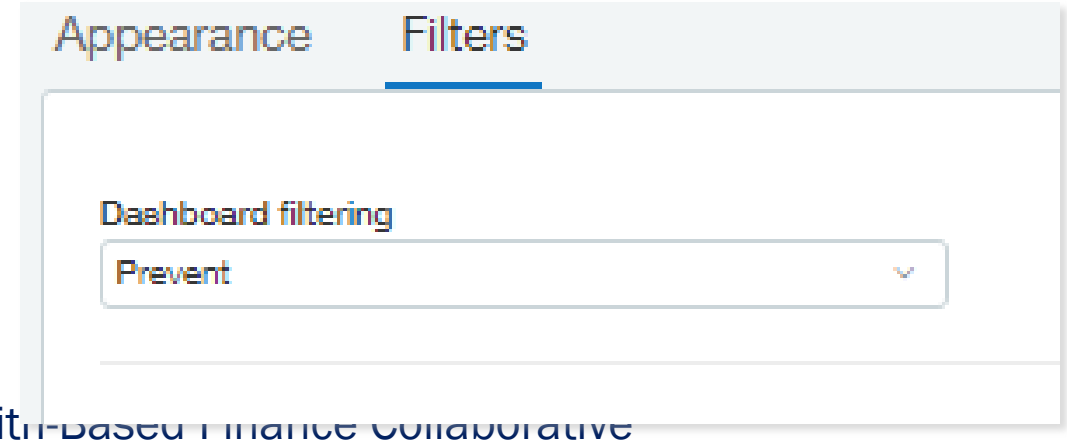
DASHBOARDS – PERFORMANCE CARDS – NO DRILLDOWN

Building the account group:



Building the performance card component (optional filter):



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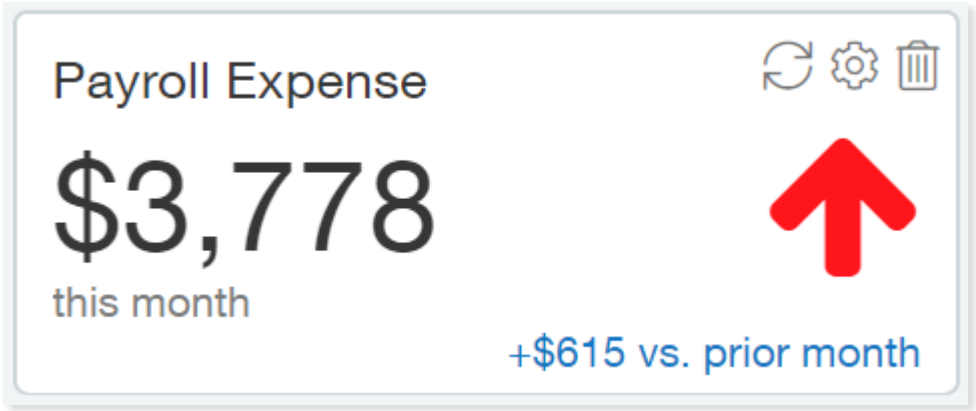
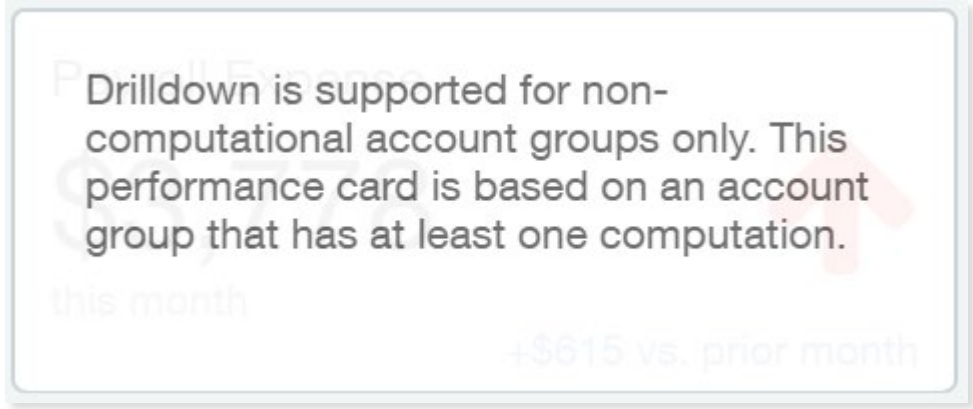
DASHBOARDS – PERFORMANCE CARDS – NO DRILLDOWN

Displaying the performance card:



Result when drilldown is attempted:



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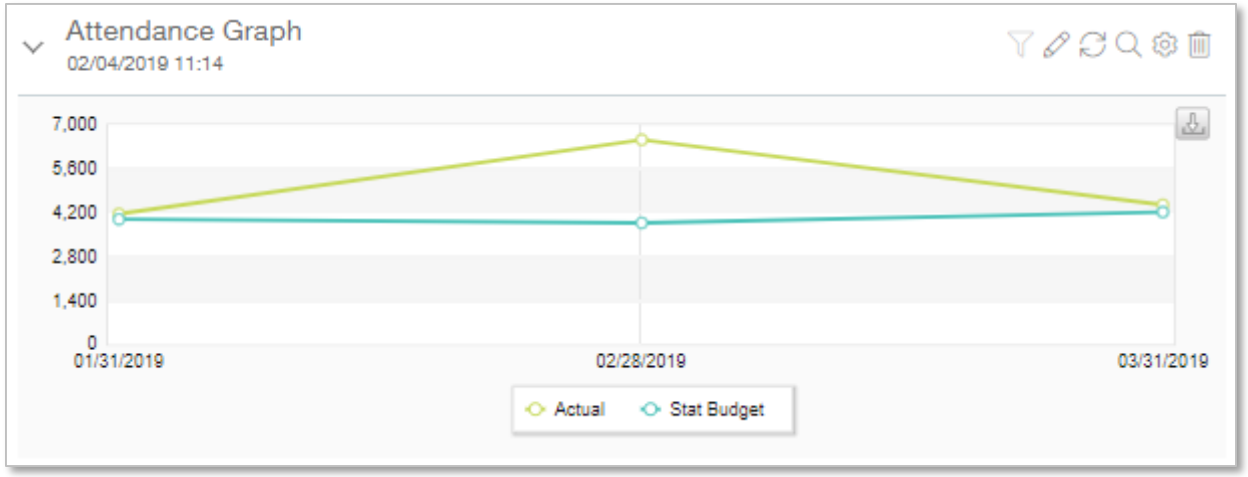
DASHBOARDS – DISPLAYING CHARTS

Attendance chart output:



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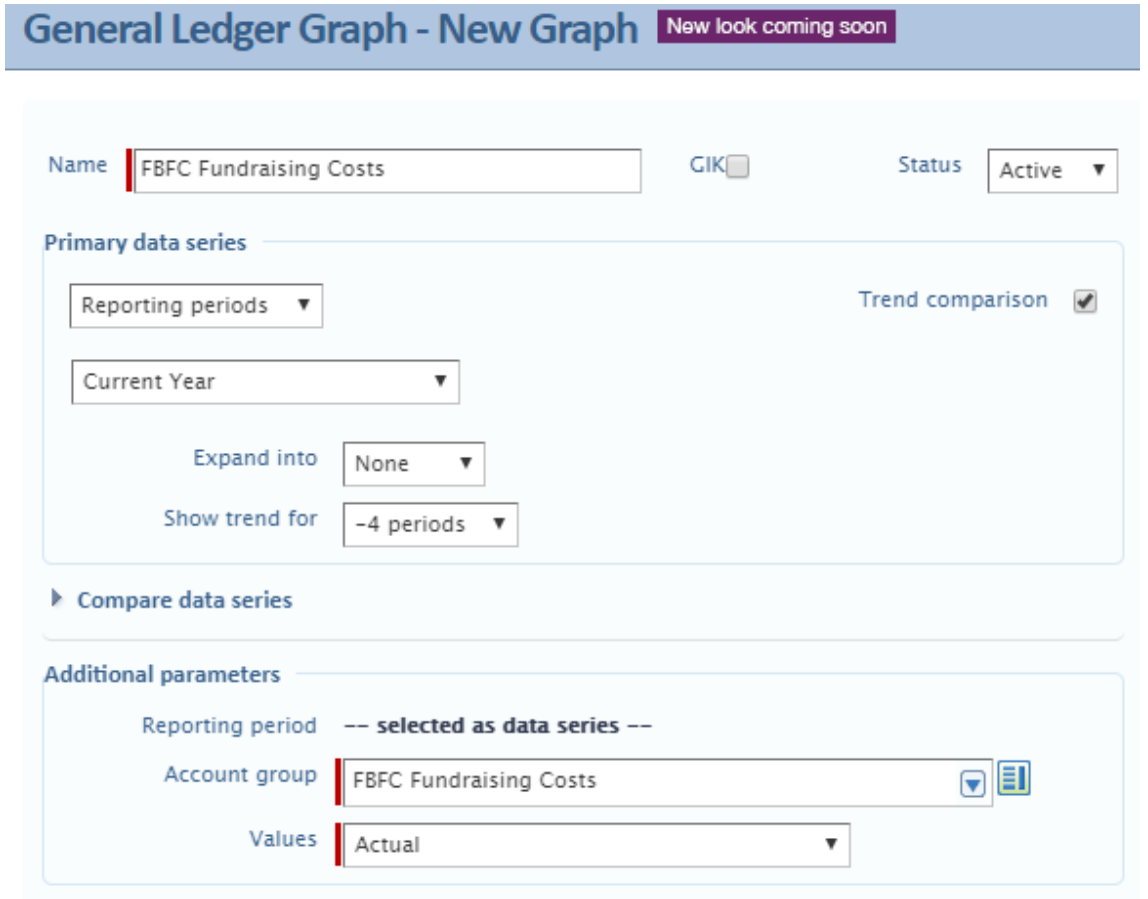
REPORTS – FUNDRAISING COSTS

Building a graph KPI:



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REPORTS – FUNDRAISING COSTS

KPI graph output:

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MISSION:SUPPORT

A Collaborative for Excellence in Nonprofit Operations

An online community where you can:

- Collaborate on solutions and best practices
- Participate and share your experience
- Stay informed on the latest trends and industry news
- Network with mission-oriented people just like you

Contact: Glen Strack | 713.744.8430 | gstrack@acttwo.com

Visit: community.accttwo.com

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QUESTIONS?