

E-book

Sage Intacct

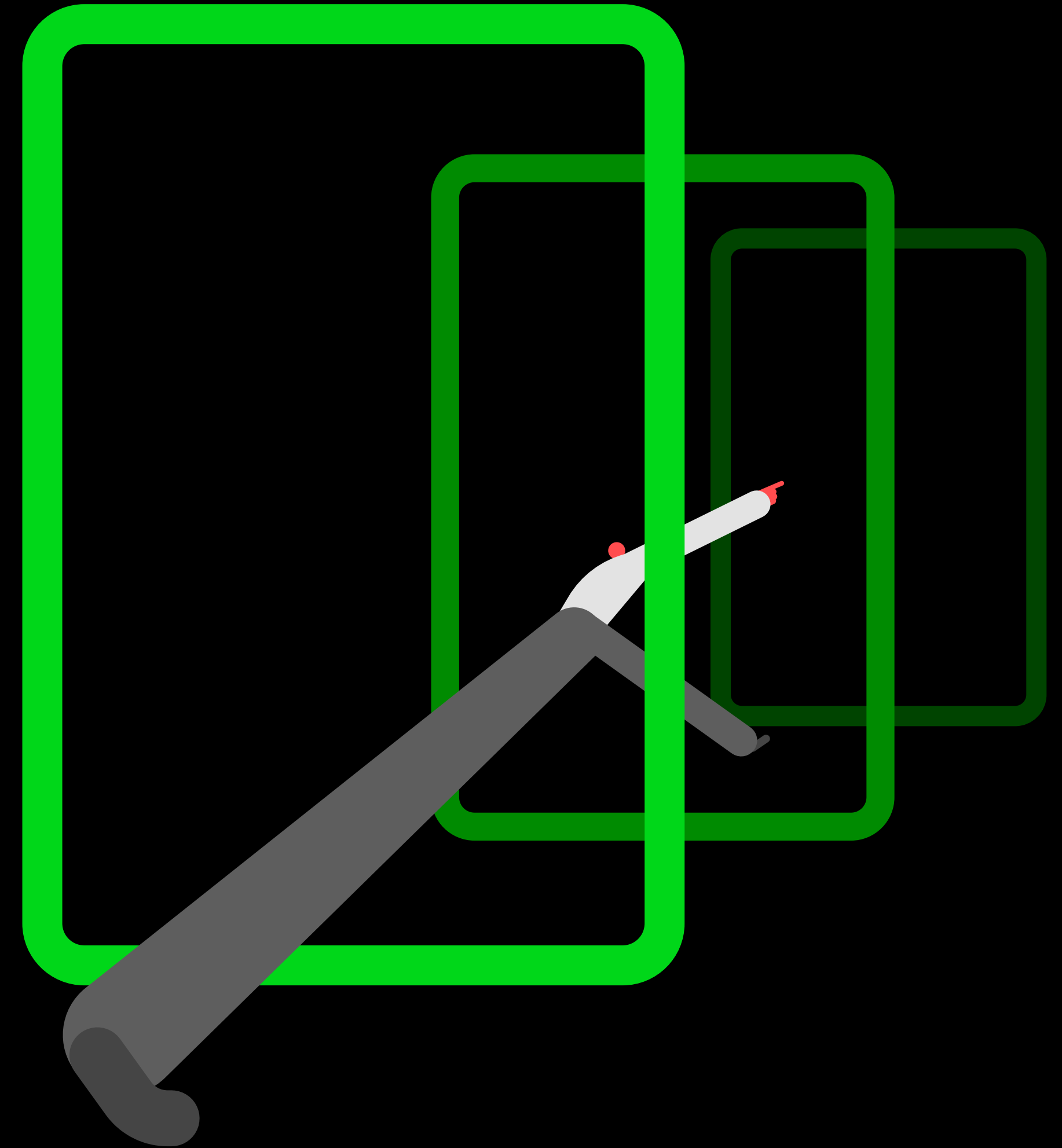
4 Steps to Greater Nonprofit Stewardship with Digital Finance Transformation

Sage



Table of contents

Introduction: Digital finance transformation	Page 3
Nonprofit finance survey: Biggest challenges	Page 4
Step 1: Twitterize your chart of accounts	Page 7
Step 2: Go beyond GAAP data to see the bigger picture	Page 10
Step 3: Integrate data for better visibility	Page 13
Step 4: Automate processes for efficiency	Page 16
Conclusion	Page 18
About Sage Intacct	Page 19
Quick links to educational resources	Page 20



Good stewardship of donor dollars is essential to your mission



Digital finance transformation helps nonprofits improve stewardship and satisfy donor demands.

As a nonprofit finance leader, you are responsible for ensuring the resources of your organization are well protected and used efficiently for mission fulfillment. In the digital age, good stewardship requires an overhaul of many manual, paper-intensive processes:

- Instead of financial reports looking back over last month or last quarter, you need real-time data and instant answers to questions.
- Instead of separate silos of data, you need information to flow across systems and departments, offering better visibility.
- Instead of poring over spreadsheets, you need blended financial and statistical metrics visualized on a single screen. serving your needs well.

Nonprofit digital finance transformation uses technologies like cloud computing, open API integration, analytics, and data visualizations to enhance mission impact, improve stewardship, and increase transparency to donors.

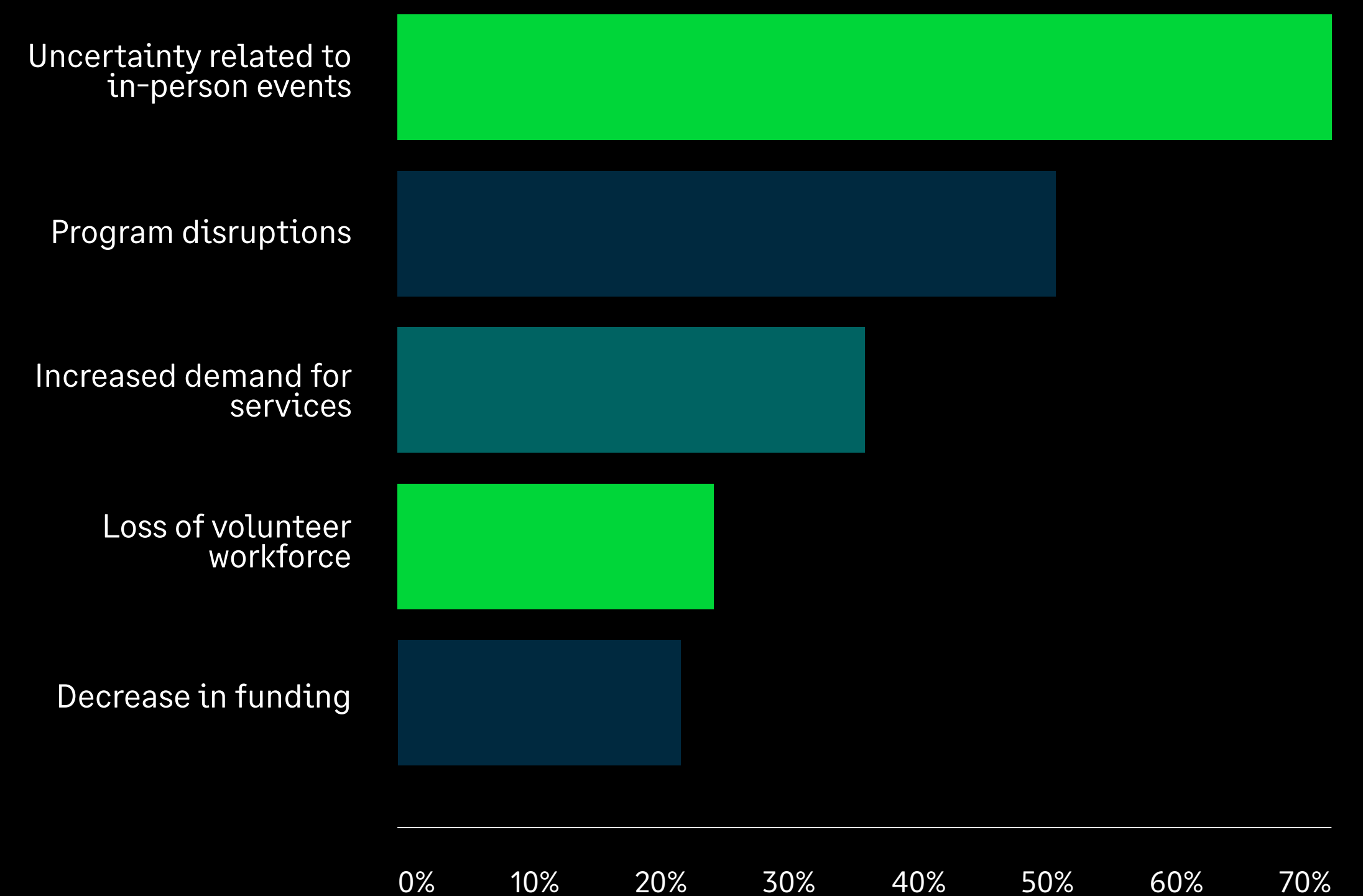
Biggest external frustrations of nonprofit leaders

The Sage Intacct Nonprofit Technology Trends Survey asked nonprofit finance leaders about the most pressing challenges facing their organizations.

When asked about top external frustrations, pandemic-related disruptions to programming topped the list. The increase in demand for services combined with a decrease in funding has led nonprofits to get more strategic when it comes to securing funding.

Simply reporting financials no longer satisfies donors' demands for transparency. Donors want to see the real impact an organization is making in terms of its mission. Organizations found ways to be creative with their programs in the current environment.

Top 5 external frustrations nonprofit finance leaders are facing



2022 Nonprofit Technology Trends Report, Sage Intacct

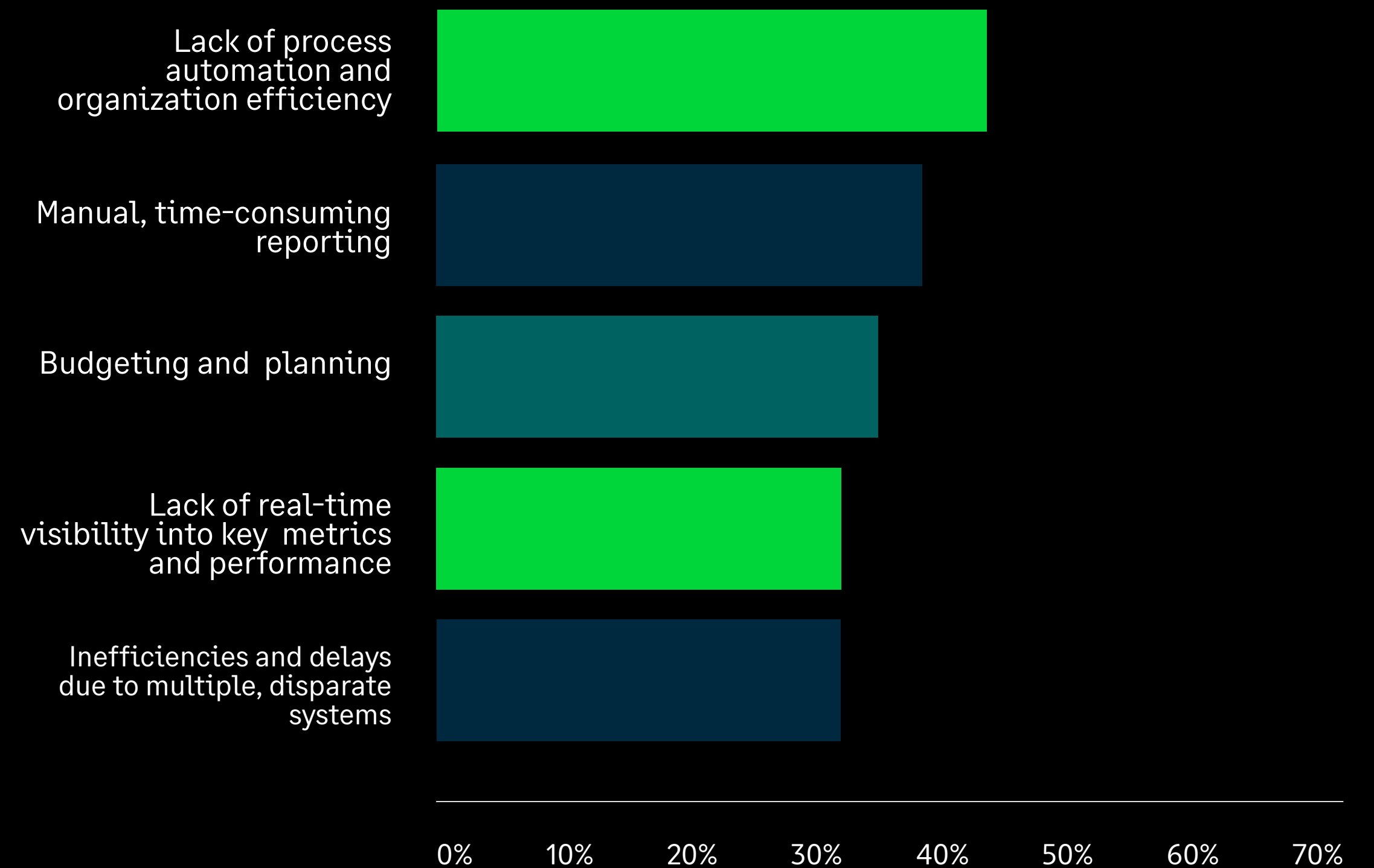
Biggest internal frustrations of nonprofit leaders

Nonprofit finance leaders said they spend too much time on manual accounting processes and not enough time on strategic work.

Nonprofit finance leaders bemoaned a lack of automation that hampered productivity and visibility. They find themselves hamstrung by disparate business and financial systems that do not share data and can't provide the metrics that matter most. To gain efficiency and insight, nonprofit finance leaders need better automation, better integration, and better visibility.

A true cloud financial management solution like Sage Intacct puts nonprofit organizations on the path to digital finance transformation.

Top 5 internal frustrations nonprofit finance leaders are facing



2022 Nonprofit Technology Trends Report, Sage Intacct



Digital finance transformation moves the needle for mission impact

Nonprofit organizations can leverage digital finance transformation to maximize productivity, efficiency, and outcomes.

Modern, true cloud technology, along with best-in-class solutions, can deliver automated workflows and reporting, easy integrations between applications, real-time visibility, and insight into your key metrics.

Most nonprofit finance leaders spend about 75% of their time on routine accounting tasks. Many say they'd like to be able to split their time 50-50 with more strategic endeavors.



Russell Guthrie, CFO at the International Federation of Accountants (IFAC), went much further by saving 80% of his time at quarter-end using Sage Intacct integrated with a business planning software application. Consequently, he has been able to become a more strategic partner to his organization.

Let's examine four steps on the path to digital finance transformation in nonprofit finance.

Q: What does digital transformation in finance really mean for nonprofits?

Digital transformation in finance can be of great value to a nonprofit, because it offers the ability to automate back-office functions like payables and receivables, thus allowing finance leaders to focus on strategy and use data to drive greater mission impact.

Step 1

Twitterize your chart of accounts

The first step in transforming finance is adopting an easier, more flexible chart of accounts.

The traditional chart of accounts in most accounting software tends to obstruct strategic visibility. Its hard-coded structure tends to grow unwieldy over time, making it difficult to capture enough granular data for decision making. For example, adding a new program, location, or department can result in dozens—or even hundreds—of additional account codes.

If you've ever told yourself "there should be an easier way," you were right. Hashtags enable you to find data on social media quickly and easily. Applied to a modern cloud financial system, hashtags make an incredibly powerful tool for reporting and visibility.

Sage Intacct features a flexible data structure called Dimensions. Dimensions, like hashtags, are attributes that allow you to Twitterize your chart of accounts—putting real-time data at your fingertips.



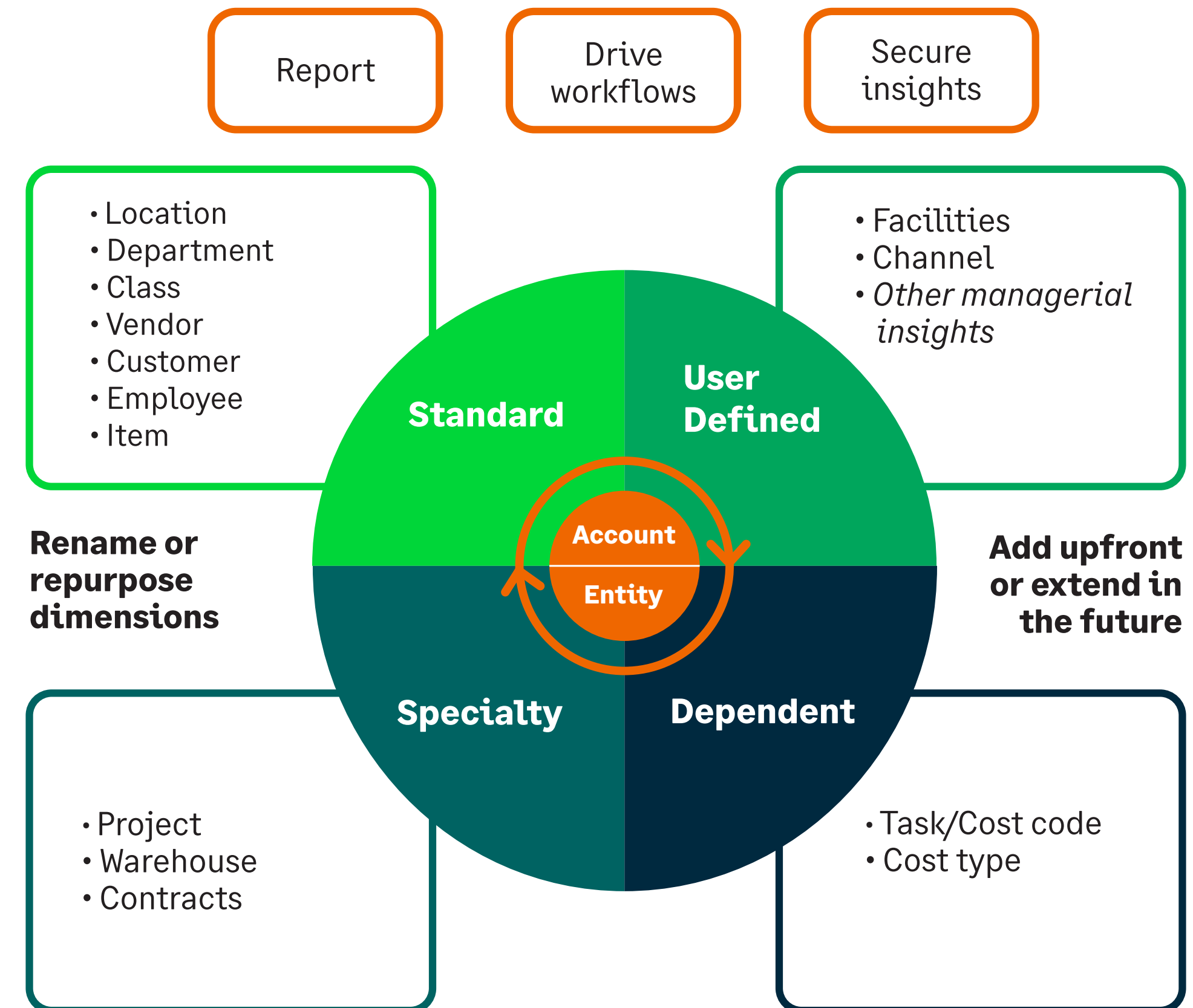
Dimensions provide instant answers

A dimensional chart of accounts allows you to drill into the data attributes most applicable to your organization.

Dimensions offer a new way to manage your general ledger and simplify your chart of accounts. Sage Intacct enables you to define the key attributes that you want to use in accounting and reporting, like program, department, location, grant, and project.

You can tag transactions with dimensions, applying their attributes to revenue and expenses. Name the dimensions anything, so you are tracking what is most important to your organization's mission.

A dimensional chart of accounts helps you simplify while giving you the ability to slice and dice the data quickly and easily for reporting.



Room to Read reduced its chart of accounts from 56,000 to 100 with Sage Intacct

“Streamlining of our chart of accounts with the Sage Intacct dimensions, we’ve been able to get deeper into the detail. We’re able to pull data around donor reporting that we could never touch before. Our management team is looking at the financials for the first time and thinking ‘wow, they’re not 6 months old, they are from last week.’ The finance and accounting team has really risen in their sense of empowerment.”

~ Shari Freedman, CFO, Room to Read



Step 2

Go beyond GAAP data to see the bigger picture

Enhance your GAAP financial data with your organization's specific non-GAAP statistical data for real-time insight into the metrics that matter for strategic decision making.

Achieving your organization's mission requires more than studying an income statement and balance sheet. You must also analyze the statistical metrics that drive your specific organization. This external statistical information might involve headcount from your HRMS system or donations from your CRM system. By pairing GAAP financial data with non-GAAP statistical data, you can spot trends over time and improve outcomes.



Financial data

- Income statement
- Balance sheet
- Financial ratios
- Budget-to-actuals

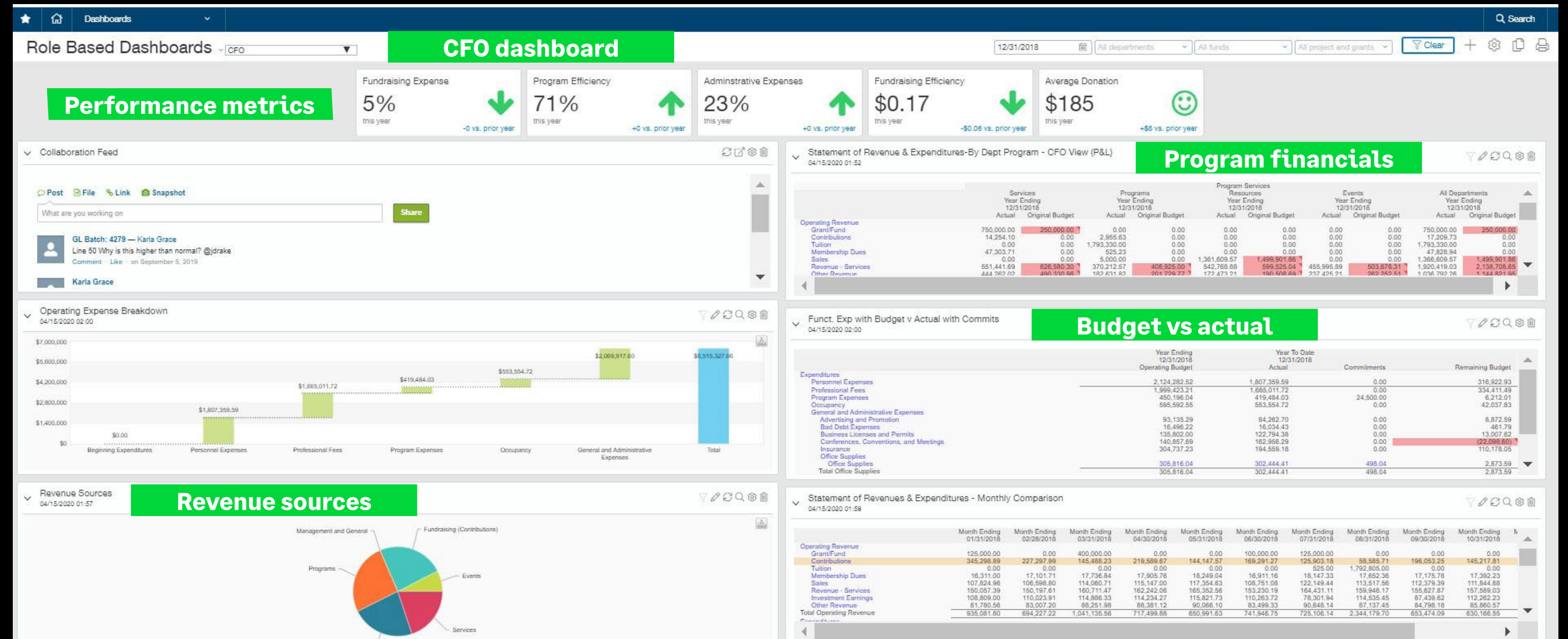
Combining financial data with statistical data gives you greater insight into outcome and performance metrics.

Non-GAAP data

- Org-specific metrics
 - Orders/Booking
 - Donations
 - Statistical objects
 - Headcount
 - Hours billed
 - Patients seen
 - Meals served
 - Reading levels achieved

A real-time view of the metrics driving your mission

This role-based CFO dashboard provides a real-time view into financial and budget metrics, plus 'non-GAAP' metrics and calculations using both—like program and fundraising efficiency.



St. PJ's Children's Home strengthens donor confidence with impactful metrics

“Sage Intacct helps us tell our story to long-term funders in a way that’s meaningful and backed up with data, so they can understand why we’re doing things differently and advocate for our strategy externally. The solution’s ability to quickly capture and share impactful statistical and financial metrics has been crucial to maintaining continued support as we evolve the ways we’re achieving our mission.”

~ Curtis Ruder, CFO, St. PJ's Children's Home



Step 3

Integrate data for better visibility

Cloud applications work best when they work together.

Our survey revealed some of the biggest challenges to nonprofit leaders related to disparate software and lack of integrated data.

With Sage Intacct, all your data for reporting and analysis is in one place. Not just your financial data, but also your donor data, your planning data, your payroll data, and any other information you need. An open API makes integrating data streams from across business applications seamless.

By integrating your critical business applications, you not only eliminate hours of duplicate data entry and report preparation, but you harness the power of integrated data sets for strategic analysis and decision making.



Gain real-time visibility at a glance with dashboards

Once all your data is integrated, view key metrics from each application in real time on a dashboard.

CRM Data

Financial data

Payroll data

Budget data



Atlas Network uses integration to liberate finance team from manual work

“QuickBooks and Salesforce didn’t talk to each other, and that was definitely an issue. It required a lot of double entry just to keep things synchronized. With Sage Intacct, we no longer have to do monthly reconciliations between what is in Salesforce and what is in QuickBooks. That’s saved a lot of time, and it provides a single source of truth with consistent and accurate information in both Salesforce and Sage Intacct.”

~ Romulo Lopez, Director of Finance, Atlas Network



Step 4

Automate processes for efficiency

Use automation to increase focus on strategic objectives.

Automating manual processes and workflows helps increase efficiency and accomplish more without adding headcount. Automated, paperless workflows accelerate routine accounting, leaving more time to focus on strategy.

Sage Intacct tailors transaction and approval workflows to eliminate duplicate data entry and automatically route and track digital approvals. Seamless integration with other applications further automates workflows for payroll, AP, AR, expenses, etc.

Automated reporting delivers more accurate and timely insights to key stakeholders. Spot trends using a dashboard, then drill down to granular transaction details to learn more. Point and click to filter data or change parameters.



Pavillon Treatment Center turns 45% efficiency gain into greater patient care

“My staff is able to do their daily bookkeeping, reconcile bank statements, upload payroll entries directly from ADP and revenues from our clinical system, and print checks to pay vendors—all of which is effortless in Sage Intacct. Meanwhile, I just approve things online and can close the month in four days. In all, Sage Intacct’s easy-to-use workflows have made us about 45% more efficient.”

~ Kent Spear, Chief Financial Officer, Pavillon Treatment Center



Conclusion

Digital finance transformation leads to greater mission impact

Digital transformation for nonprofit organizations begins with true cloud management technology.

For the nonprofit finance team, Sage Intacct provides the flexibility and granularity of a dimensional chart of accounts, allowing you to capture the most important data to ensure good stewardship.



Seamless API integration to other cloud applications increases efficiency, saves time and integrates data between Sage Intacct and solutions for grant management, expenses, budgeting, CRM, and more. This will allow you to combine GAAP financial data with non-GAAP outcome metrics to tell the complete story of your mission.

By leveraging the power of automation, you can speed up reporting and improve visibility using real-time dashboards for insights.

About Sage Intacct

Sage Intacct is the AICPA's preferred provider of cloud financial applications.

Specializing in helping nonprofits of all types—including health and human services, NGOs, charities, trade and membership associations, cultural institutions, and faith-based organizations—Sage Intacct streamlines grant, fund, project, and donor accounting, while delivering real-time visibility into the metrics that matter.

Our modern, true cloud solution, with open APIs, gives nonprofits the connectivity, visibility, and efficiency they need to do more with less. At Sage Intacct, we help nonprofits strengthen stewardship, build influence, grow funding, and achieve mission success.

In addition to intuitive software solutions, Sage Membership provides members with access to actionable human advice from experts and peers through exclusive content and tools to help you make even better mission-critical decisions.



AICPA[®]

Business Solutions

Preferred Provider of Financial Applications

Quick links to educational resources

Looking to move your nonprofit finance operations to a new cloud accounting system? Here are some additional resources to help you make the right decision.

Product overview video

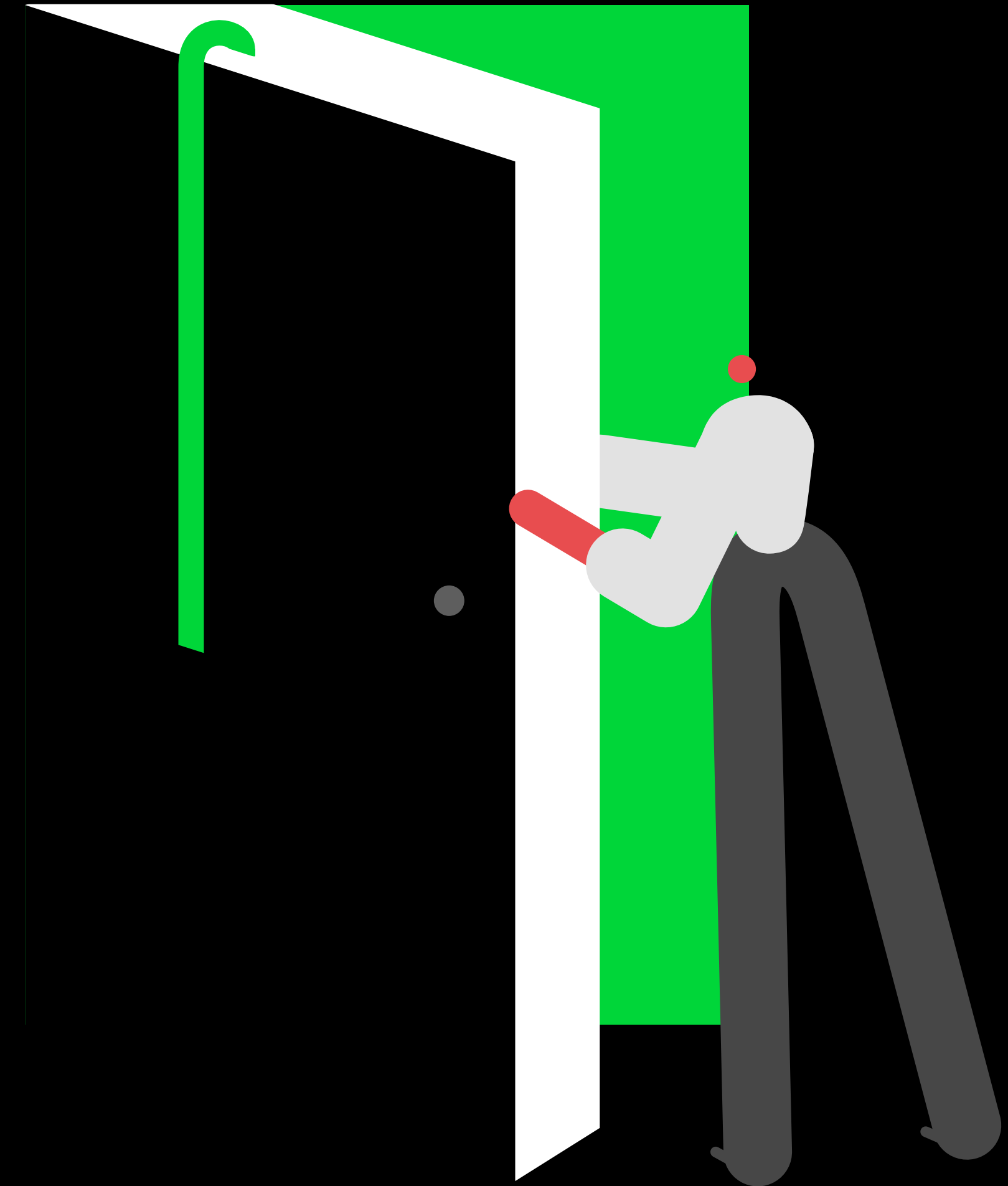
[Sage Intacct for Nonprofits](#)

Customer story video

[Room to Read](#)

More resources

[Browse all nonprofit resources](#)





BOOK A CONSULTATION

Jim Norton, CPA

Principal, Accounting
Technology Services

jnorton@grfcpa.com



<https://bit.ly/GRF-SI-Meeting>



CPAs & ADVISORS

Sage