



## SUSTAINABILITY CONSULTANCY

### PURPOSE

These tough economic times call for community organizations to adapt. Experts in our field advise that continuing to do things the same old way will not work in the changed environment. The purpose of the Sustainability Consultancy is to help Western North Carolina nonprofit organizations develop strategies for future success.

This brief, on-site financial and program assessment will help you:

1. Clarify current financial and organizational status
2. Identify organization options/actions needed for the new economic environment  
(It is important to be clear about expectations in the assistance process. Please recognize the limitation of this time-restricted consultancy arrangement, which necessarily focuses on identifying issues and options vs. in-depth problem solving.)

### APPROACH

A qualified organizational development consultant and financial professional will work as a team on-site at your organization with representatives of your nonprofit's staff and Board. The brief engagement must be entered into with the full Board's approval and support. Once the required application is submitted and approved, there are essentially three parts to the Sustainability Consultancy:

- Meeting of organization team with consultants to discuss organization situation and financial status
- Analysis of organization situation and documents by consultants
- Presentation of consultant written report to organization, including observations and recommendations

### ADDITIONAL INFORMATION

**Confidentiality** – The information gathered during the process and the report will be the confidential property of the organization. WNC Nonprofit Pathways may publish aggregate results to analyze nonprofit trends, needs and progress but will not violate confidentiality in this process.

**Evaluation** – Short term (within a month) – Follow-up with the organization leadership to evaluate the assistance process and consultants. Long term (after one year or later) – WNC Nonprofit Pathways will track whether any of the identified options or recommendations was pursued and if they helped strengthen the organization and its services to the community.

**SEE NEXT PAGE FOR SPECIFIC STEPS IN PROCESS**

**Sustainability Consultancy**  
***Guide for Nonprofit Organization***

**Steps**

1. Organization applies for Sustainability Consultancy (includes authorization that Board wants and will act on consultant recommendations.)
2. After approval, organization is matched with consultant pair by WNC Nonprofit Pathways.
3. Organization identifies participants in Sustainability Consultancy (staff: executive director and finance staff; board: chair, treasurer)
4. Organization compiles Financial Data and prepares responses to questions (listed below)
5. Organization and consultants meet; Organization presents Financial Data as well as program overview – with goal of consultants understanding current financial and organizational situation. Group discusses data, questions and related information.
6. Consultants meet to discuss information and identify questions and issues for follow-up.
7. Consultants follow up with organization (usually via phone) to clarify information.
8. Consultants write report and submit to WNC Nonprofit Pathways for review
9. Consultants meet with organization and present final report to full Board

***Information to be prepared by Nonprofit Organization for Consultant meeting***

**Financial Data** – Provide to consultants (most recent versions of all that are available):

1. Current operating budget with YTD income and expense (and any projections or revisions)
2. Income and Expense Statement and Balance Sheet
3. Recent audit or financial review
4. IRS 990 form
5. Additional reports and information as requested, including possible access to financial data/Quickbooks for analysis purposes to inform the consultancy so it is most useful.

**Financial Planning Questions** – Prepare answers to these questions in writing, for use by the Consultants

1. For the coming year, please list your known revenue sources (by line item) and anticipated changes
2. Are you operating month to month or do you have a reserve?
3. If you have a reserve, what funds from reserves are available for operating?
4. How many months' cash are in the bank?
5. Do you have a system for allocating costs to programs?
6. What is the cost to deliver each program?
7. What is the administrative overhead?
8. Please provide any other critical information and/or documents that would help the consultants understand your current financial and organizational situation moving into these economic times

**Mission/Program Questions** – Nonprofit team reviews these questions and is prepared to discuss them

1. What does your organization do best?
2. Name your most effective and least effective programs
3. If you had to curtail programs, which would you choose?
4. What staff changes can you make?
5. If you had to merge or ally with another group, what group would you choose?

***Note: All information from Sustainability Consulting process is considered confidential to the Organization, Consultants and director of WNC Nonprofit Pathways.***

WNC Nonprofit Pathways – email [contact@nonprofitpathways.org](mailto:contact@nonprofitpathways.org); web site [www.nonprofitpathways.org](http://www.nonprofitpathways.org)