



Building on Quality: Strengthening Financial Management Initiative

FMA has been engaged by the Wallace Foundation to execute a 4-year, multi-phase strategic initiative focused on building the financial management capacity of a selected group of nonprofit organizations providing out-of-school (OST) time programming for youth in Chicago. The initiative grows out of the findings of a 2008 study commissioned by Wallace and conducted by FMA, which found that many such organizations lack the capacity for proactive, strategic financial management that would enable them to better sustain and enhance their programmatic offerings. (The report is available at http://www.fmaonline.net/custom/publications_research.html)

FMA will work intensively with a group of 14 OST organizations, selected through a competitive application process. The focus of these engagements will be on enabling an organization's financial systems to effectively produce the information and analysis required for strategic management, and coaching the organization's senior leaders on how to use this information to come to informed, strategic decisions on the major issues affecting the organization.

Engagements will include the following components:

- An initial assessment that includes a review of the nonprofit's fiscal infrastructure as well as analysis of its current financial situation and the key strategic financial decisions its management team must make in the near term
- Work with the organization to implement agreed-upon enhancements to its fiscal management infrastructure (for instance, development of a comprehensive budget, improvement of internal controls, implementation of an enhanced accounting software system, or development of an appropriate fiscal office staffing and reporting structure)
- Facilitation of the organization's senior leadership team through a "team decision-making" process focused on addressing the key strategic decision points identified in the assessment of the organization's financial situation
- A series of quarterly peer learning and networking sessions, designed to provide advice from FMA experts and share lessons across participating organizations on fiscal best practices and strategic financial management

In addition, FMA will provide group training and financial management resources to the senior leadership of an additional 12 OST organizations via a "Financial Management Institute" running simultaneous to the consulting initiative.

The entire project will be formally evaluated by an outside firm, and lessons and outcomes will be documented and publicly disseminated over the course of the initiative.