



# MEALS ON WHEELS WEST

## HELPING A NONPROFIT FOCUS ON DOING THE GOOD WORK AT THE HEART OF ITS MISSION

Meals On Wheels West (MOWW) was looking for something more in its bookkeeping solution. They found it — at the right price — with Supporting Strategies.

### Client Profile

MOWW nourishes and enriches the lives of homebound individuals by delivering healthy meals and services that promote self-respect and independent living. Based in Santa Monica, CA, the organization brings over 80,000 meals a year to people in Los Angeles' coastal communities.

### Speaking from Experience

In the past, MOWW wasn't getting everything it needed from its bookkeeping resources. MOWW leadership wanted a resource that would be fully engaged, but at the right price.

Len Lanzi, MOWW Treasurer and Board member, recommended that the organization consider Supporting Strategies. Lanzi is Executive Director of

the Los Angeles Venture Association, a Supporting Strategies | Los Angeles client since 2014.

"At LAVA, I've seen how Supporting Strategies excels in assigning bookkeeping talent with the

“**Supporting Strategies has been an outstanding additional support for us as an outsourced bookkeeping service. I find them highly valuable and always timely in responding to my requests.**”

*Kevin McNulty, MOWW Chief Administrative Officer*

right skill sets for the client's needs," says Lanzi. "I also appreciate the practicality of working with Supporting Strategies — they're available whenever we need them."

MOWW staff agreed with Lanzi's assessment, and we began our engagement in March 2015.

# MEALS ON WHEELS WEST

HELPING A NONPROFIT FOCUS ON DOING  
THE GOOD WORK AT THE HEART OF ITS MISSION



## An Expert in Nonprofit Bookkeeping

As Lanzi mentioned, one of Supporting Strategies' strengths is staffing projects with professionals who have the right expertise. Michael Kramberg, Nonprofit Practice Leader at Supporting Strategies | Los Angeles, has over 30 years of experience working in accounting departments of various nonprofit organizations, primarily at the controller level and above.

"I understand how these organizations operate and what their needs are," says Kramberg. "It's not my style to be a 'traditional' outsourcing resource who stays at arm's length and just sticks to the numbers. I'm most effective when I can dig in and really get to know the client so that I can tailor my work and reports for maximum relevance."

Kramberg and Financial Operations Manager Christina Reynolds have teamed up to offer the right level of ongoing support for MOWW. Our responsibilities include:

- Managing day-to-day bookkeeping entries in QuickBooks
- Posting payroll
- Posting bank deposits
- Monthly closing
- End-of-month report preparation
- Hands-on, end-of-year audit support

Our depth of expertise is another big advantage. If Kramberg or Reynolds runs into any questions or issues that are outside their comfort zone, they can call on the knowledge of Supporting Strategies' 250+ staff members across the country.

## On the Case

During our engagement, Supporting Strategies has helped MOWW to:

- **Streamline the audit process.** Kevin McNulty, MOWW Chief Administrative Officer, has been with the organization since 1998. In all that time, they had never managed to submit their audit and year-end taxes without filing extensions — until Supporting Strategies got involved.

"I shared my amazement with our auditor, who expressed admiration for Michael's streamlining of record keeping and contribution of materials that

“Supporting Strategies has simplified how our financials are presented, making it easier for Board members as well as volunteers to understand the numbers.”

*Len Lanzi, MOWW Treasurer and Board member*

made their job easier and less time-consuming," says McNulty. In fact, in 2016, the auditing team was only on-site for one day for testing and field work, compared with the two or three days it had traditionally taken.

McNulty also lauds Supporting Strategies' methodology and organization of monthly bookkeeping and reporting, which has minimized auditor concerns.

"If prepared for and managed properly, an audit shouldn't be an overwhelming process for an organization like MOWW," says Kramberg. "I try to make sure that it's nothing to fear and nothing that will interrupt their work."

# MEALS ON WHEELS WEST

HELPING A NONPROFIT FOCUS ON DOING  
THE GOOD WORK AT THE HEART OF ITS MISSION



## • Enhance communications with Board members.

As part of MOWW's monthly reporting package, we go beyond providing the standard profit and loss statement. We also deliver detailed financials that help McNulty enhance his presentations to the Board of directors and give him more confidence in answering their questions.

Having experienced benefits like these, it's no wonder MOWW remains such a satisfied client.

"Supporting Strategies has been an outstanding additional support for us as an outsourced bookkeeping service," says McNulty. "I find them highly valuable and always timely in responding to my requests."

**"I'm most effective when I can dig in and really get to know the client so that I can tailor my work and reports for maximum relevance."**

*Michael Kramberg, Nonprofit Practice Leader, Supporting Strategies | Los Angeles*

"My Board is quite pleased with the monthly financial reporting," says McNulty.

"Supporting Strategies has simplified how our financials are presented, making it easier for Board members as well as volunteers to understand the numbers," adds Lanzi.

• **Reduce labor costs.** MOWW is enjoying impressive value through its relationship with Supporting Strategies. In fact, says Lanzi, "We're spending less money on these services than we were three or four years ago with the external bookkeeper."

Supporting Strategies is also helping make MOWW employees more efficient. As an example, Lanzi cites the Administrative Executive, who used to spend much more time with tasks like bill paying and record keeping.

"With Supporting Strategies, we have a high degree of confidence that their tasks are being handled correctly, so Kevin and other staff members have more time for their mission-critical responsibilities," says Lanzi.

"At first, many nonprofit organizations we speak with are hesitant to embrace new processes and systems," says Mark Wald, Managing Director of Supporting Strategies | Los Angeles.

"But those that are ultimately receptive to letting us innovate

for them wind up benefiting from better process controls, more insightful and transparent reporting, and optimized efficiency throughout the organization. That's certainly been the case with MOWW.

"We are proud of our successful relationship with Meals On Wheels West, which enables them to maximize the impact they're making in the community and improve the lives of all the wonderful people they serve."



# ▽ SUPPORTING strategies™

Your partner for bookkeeping  
and operational support.

▽ SUPPORTING STRATEGIES E-BOOK

## Nonprofit Bookkeeping Best Practices

Building a Strong Bookkeeping Foundation for Your Nonprofit

[supportingstrategies.com](https://supportingstrategies.com)



From complicated nonprofit regulations to delivering financial information to the board on time, nonprofit leaders face a number of bookkeeping challenges that can distract them from focusing on their organization's mission.

Adhering to nonprofit bookkeeping best practices will help you build a stronger foundation, enabling you to comply with nonprofit regulations, deliver information to your board more easily and concentrate on long-term strategy.

## By following these key best practices, you can:



### **Refocus on your core mission**

by modernizing your bookkeeping systems. A few simple steps will enable you to streamline processes, enhance controls, simplify tax preparation and receive real-time insights into your organization's finances. All of which will free up your staff to devote more time and energy to hitting your fundraising targets and meeting other key goals.



### **Gain the confidence**

that comes from knowing you're doing things the right way. When it comes to bookkeeping, nonprofits are held to a higher standard than the for-profit sector. Fund accounting, grants management and, of course, the new Financial Accounting Standards Board (FASB) regulations are all potential speed bumps. Making sure you have a bookkeeper with nonprofit experience can help ensure a smooth ride.



**Improve transparency** when providing financial reports to your board, increasing their confidence in your professionalism and ability to safeguard donor funds.



**Think strategically** about your organization's future rather than simply scrambling to meet the financial demands of the present.



## Modernize for Better Focus

With the complexity of nonprofit bookkeeping, manual bookkeeping tends to lead to confusion and a backlog of unclassified (or improperly classified) expenses, even at smaller organizations.

One challenge with many nonprofits is the need to classify all expenses under the proper funds. For example, depending on the requirements of a particular grant, you may need to track all costs associated with it, including portions of salaries, office space and cellphone bills. Fortunately, software programs are available that let you assign all expenses to the proper categories in real time.

Utilizing modern bookkeeping systems and planning ahead for this level of tracking can help you slash administrative time (and costs). It's also an opportunity to establish important checks and balances that will reduce the risk of error.

By taking these steps, you'll also be better prepared at tax time and when presenting financial information to your board. Best of all, your administrative staff will be able to focus more of their time on what drew them to your nonprofit — its mission.



*Now we can really see where we are financially and compare things year by year. I get a better picture, and the board gets a better picture. I wasn't expecting to be able to streamline our financial operations so concisely and completely.*

– Carol Meagher, Executive Director, Sierra Nevada Children's Museum

## Gain Confidence by Doing It Right

Even executives with deep experience in the for-profit sector can have difficulty making the transition to a nonprofit. The very thing that makes a nonprofit viable — its tax-exempt status — is also the thing that can make it a bookkeeping nightmare. (How familiar are you with IRS Form 990?)

Suffice to say that regulations are complicated and the penalties for noncompliance can be severe, even if that noncompliance is unintentional. Moreover, the regulations frequently change. The 2017 Tax Cuts and Jobs Act (TCJA), for example, eliminated certain deductions. That affected nonprofits in a way that many administrators simply never saw coming.

Anyone handling bookkeeping for a nonprofit must keep up with new legislation like the TCJA. He or

she must also be well-versed in the intricacies of fund accounting (which the FASB requires for all tax-exempt nonprofits) and the latest FASB changes involving revenue recognition, presentation of financial statements and more.

Software can help simplify the process of staying in compliance. For example, you can standardize the assignment of funds and link them to common transactions, thus facilitating the tracking of revenues and expenses associated with each fund. A bookkeeper knowledgeable in nonprofit bookkeeping can make sure you're in compliance with nonprofit regulations and set up processes that will capture the necessary information, making it easy to gather data for Form 990.



## Improve Transparency

The combination of staff turnover, legacy bookkeeping and the complexity of multiple funding streams can make it difficult to track funding appropriately. Nonetheless, speed, accuracy and financial transparency are essential for a nonprofit to stay in compliance with regulations and tax filings and to give board members the timely information they need to provide proper direction to the organization.

Nonprofit board members typically have limited terms and may lack an in-depth knowledge of finances. That places a premium on presenting them with financial information in a manner that's easy to grasp.

For example, in addition to delivering data about how each funding source was spent, you can include details about the type of funding (federal, grant or private) and the funding source's limitations. Information like this can help board members understand each funding source and how it affects the organization. Presenting the financial data visually (e.g. charts and graphics) can also make the information easier to understand.

By establishing a strong bookkeeping foundation with modern systems, you'll enhance your ability to provide timely and useful information to your board. This, in turn, will help board members offer better strategic guidance to your nonprofit.



“

*Supporting Strategies has simplified how our financials are presented, making it easier for Board members as well as volunteers to understand the numbers.*

– Len Lanzi, Treasurer and Board member of Meals on Wheels West



## Start Thinking Strategically

Operating a nonprofit shouldn't be an exercise in crisis management. But for many executive directors, that's what the job has become. Days disappear in a stressful blur — trying to track down a misclassified donation, answer a question from a board member or wrap your head around the implications of yet another change in the tax code or accounting standards. All while hustling to keep the funds coming in an increasingly competitive nonprofit environment.

“

*Instead of spending meetings going over the granular general ledger and whether something is in the wrong line on a balance sheet, now we're thinking cash flow, budgeting and deeper-level analysis because we have the time and the confidence in our numbers and our reporting that we can move on to bigger issues.*

– Andrew Schneider, Executive Director,  
Arlington Thrive

The goal is not to ignore the flow of funds into and out of your organization entirely. Rather, it's to stop fixating on the details and look at the long-term trends. Which fundraising efforts have been most successful, and why? Could you expand those efforts while eliminating those that have traditionally performed poorly?

And if you are able to boost your performance so that you're not just maintaining your level of funding but actually growing it, what will you do with those extra resources? Is your most pressing need improved infrastructure or more full-time staff? Do you need more professional marketing? Or could you simply do a better job of matching benefactors and beneficiaries?

Imagine being able to both identify such long-term objectives and have the support in place to actually pursue them.





## More Time for What Matters Most

If you've read this far, that's a good indication you're ready to strengthen your nonprofit through better bookkeeping. You're willing to embrace a more streamlined approach using 21st century software that will provide you with a much quicker, clearer

grasp of your organization's financial picture. And you appreciate the value of tapping into someone with nonprofit bookkeeping experience, giving your board better information faster and placing a higher priority on strategizing.



**Following the best practices outlined here will help you and your staff achieve all of the above and find more time for what matters most: tackling your nonprofit's mission-critical objectives.**

### About Supporting Strategies

Supporting Strategies has provided efficient and effective outsourced bookkeeping services and operational support to growing businesses since 2004. Our clients get the support they need, when they need it, at a price they can afford, allowing them to focus on their core business. Supporting Strategies' skilled, experienced professionals use secure, best-of-breed technology and a proven process to deliver a full suite of services, including accounts payable, accounts receivable, bookkeeping, financial analysis and payroll administration. We have offices across the country. For more information, please visit [www.supportingstrategies.com](http://www.supportingstrategies.com).