

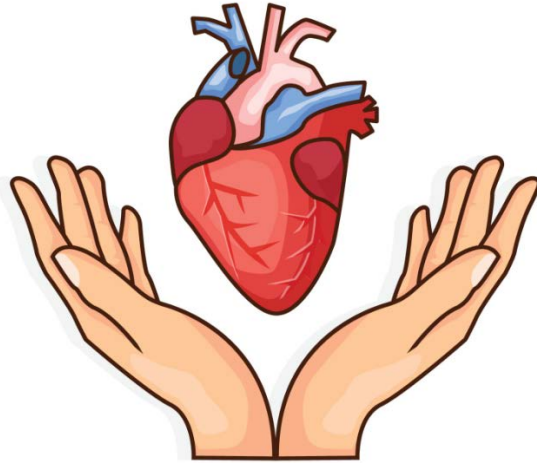
FINANCE LEARNING FORUM

on

FUND MANAGEMENT

06-Mar-2025

DONORS ASK ONE QUESTION



Where is my money going?



DONORS ASK ONE QUESTION

WHAT & HOW CONNECT PREVIOUS SESSION?



GROUP DISCUSSION

a. 3 Groups – 15 Mins

b. Present 5 Min/Group



DONORS ASK ONE QUESTION



Where is my money going?

DONORS ASK ONE QUESTION

a. Clean and Consistent Financial Reporting

b. Open Communication About Fund Allocation

c. Use Impact-Driven Metrics





Jesus Pizarro, CPA, MBA, MPA • 1st
 Strategic Financial Specialist for Nonprofits & Social Enterprises | Found...
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Donors ask one question: Where is my money going?

If your nonprofit can't answer this clearly, transparency might be the issue.

Here's a 3-step guide to showing them where every dollar goes.

1. Clean and Consistent Financial Reporting - Start with clear, accurate, and up-to-date financial statements. Whether it's detailing revenue sources or program expenses, make it easy for donors to understand how funds are being utilized.
2. Open Communication About Fund Allocation - Break down how donations support your mission—programs, operations, and impact. The clearer your explanation, the stronger the trust you build with donors.
3. Use Impact-Driven Metrics - Pair your financial data with outcomes. Show donors not just how much was spent, but the real difference it made. Transparency isn't just numbers—it's about connecting their contributions to meaningful change.

Financial transparency isn't just about compliance—it's about building long-term donor trust and credibility.

How does your nonprofit ensure financial transparency? Share your best practices below!

KEY REVENUE SOURCES

- **Donations:** Individual, corporate, and legacy giving.
- **Grants:** Government, private foundations, and NGOs.
- **Fundraising Events & Campaigns.**
- **Membership Fees & Subscriptions.**
- **Endowments & Investments.**
- **Social Enterprises & Earned Income**



DONORS/FUNDS



DONORS/FUNDS



How to Manage?



Fund Allocation & Restricted Funds

- **General Funds:** Used for overall operational expenses.
- **Restricted Funds:** Donations designated for specific programs.
- **Endowment Funds:** Investments where only the interest is used.
- **Balancing administrative vs. program expenses.**



Best Practices for Non-Profit Fund

- ✓ Separate accounts for different funds (restricted & unrestricted).
- ✓ Regular financial reviews and board oversight.
- ✓ Use donor management & accounting software for tracking.
- ✓ Develop contingency plans for financial crises.
- ✓ Train staff and board members on financial literacy.



5 Effective Fund Management Principles

5 Effective Fund Management Principles

1

Policies and Procedures

- Gift, Grant, Contract Policy
- Gift Acceptance Policy
- Compliance Policy
- Naming Rights Policy
- Gift Agreement Routing Procedure

2

Data, Reporting & Analytics

- Fund, Field, Systems Infrastructure
- Availability of Information
- Consistent, Purpose Driven Reporting
- KPIs & Metrics

3

Fund Utilization & Compliance

- Fund Balances
- Fund Utilization
- Appropriateness of Expenses
- Appointed Faculty
- Awarded Scholarships
- Data Privacy/Security

4

Donor Experience

- Honoring Donor Intent
- Donor Receipting
- Information Requests
- Financial Reporting
- Impact Reporting

5

Data Governance & Hygiene

- Fund Maintenance
- Reporting Schedules
- Import/Export Schedules
- Training
- System Access

DONORS ASK ONE QUESTION



Result ➔ **Quality** ➔ **Quantity**

ថ្លៃស្តី កណ្តាប់ អ៊ី RAT-E



- Responsible
- Accountable
- Transparency
- Evidence

ការទទួលខុសត្រូវ
 គណនេយ្យភាព
 តម្លាភាព
 ឯកសារគ្រប់គ្រាន់



R A T - E
 25% + 25% + 25% + 25% = 100%



TIBIS - TARIA

Together
Initiative
Build
Internal
Strength



Team
Accountable
Responsible
Implement
Achieve

19 May 2023 in Steung Treng Province, Cambodia



អរគុណ !

Thanks!