



STRENGTH
MATTERS®

Financial
Management
Conference

Everybody Wants Dashboards!

What Works for this Perennial Tool for Financial Storytelling

Michael Butchko, Vice President of Business Intelligence, NeighborWorks America

Lisa Nelson, Chief Executive Officer, Focus & Flow, Inc.

September 8th, 2022

Continuing Professional Education (CPEs) Requirements for CPAs

- Please be sure you **SIGN IN at the beginning and SIGN OUT at the end of every session.** We use the sign-in sheets to verify your participation for CPE credits.
- Please **submit all conference evaluations.** Evaluation links are emailed to registrants daily. Please see the session host (the person monitoring the sign-in sheets) if you prefer a paper evaluation.
- For more information on CPE credits, contact Lindsay Wells at consult.lwells@gmail.com.

Who are we?

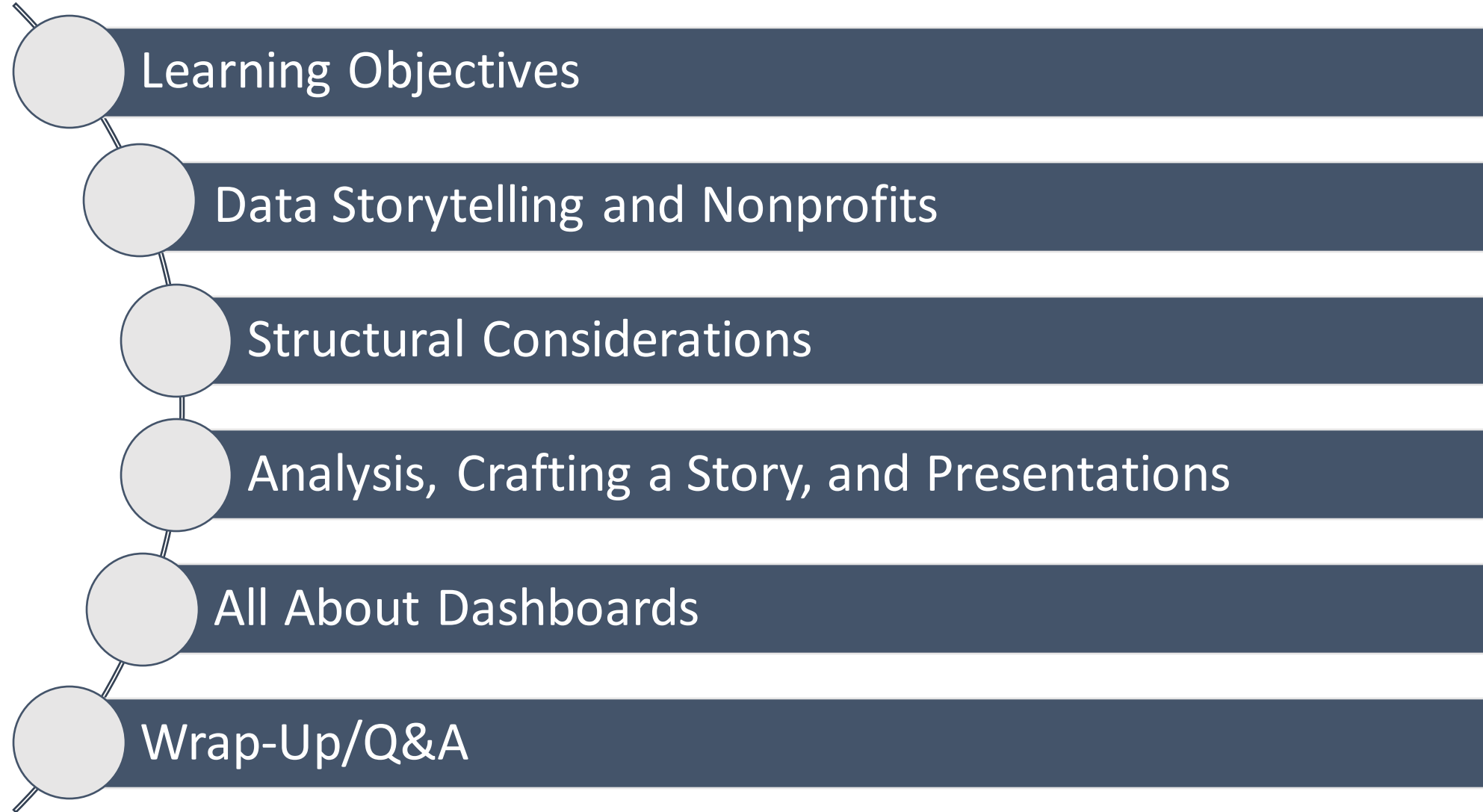


Michael Butchko
Vice President of
Business Intelligence
NeighborWorks America



Lisa Nelson
Chief Executive Officer
Focus & Flow, Inc.

What We'll be Discussing



What You'll Walk Away With

You'll understand what it takes to implement dashboards to tell your data story

You'll learn best practices for crafting and visualizing your data story

You'll leave with new and different ideas for what's possible with dashboarding

You'll have strategies for socializing the dashboards at your own organizations

Lost in Translation



83% of companies stress the importance of turning data into actionable insights

Only 22% feel their company is successful

Barriers to Data Culture Poll



What barriers or issues has your organization faced in implementing a data strategy?

<https://wall.sli.do/event/7R6E1fhvBvGAp8gGSJt4G4?section=6f8f8892-fa07-4d2c-ae2f-ed23656d294>



Join at
slido.com
#1910 680

Financial Storytelling and Nonprofits



Data Cleaning & Quality Control

Cleaning

- Prioritize Data Points
- Review for Accuracy

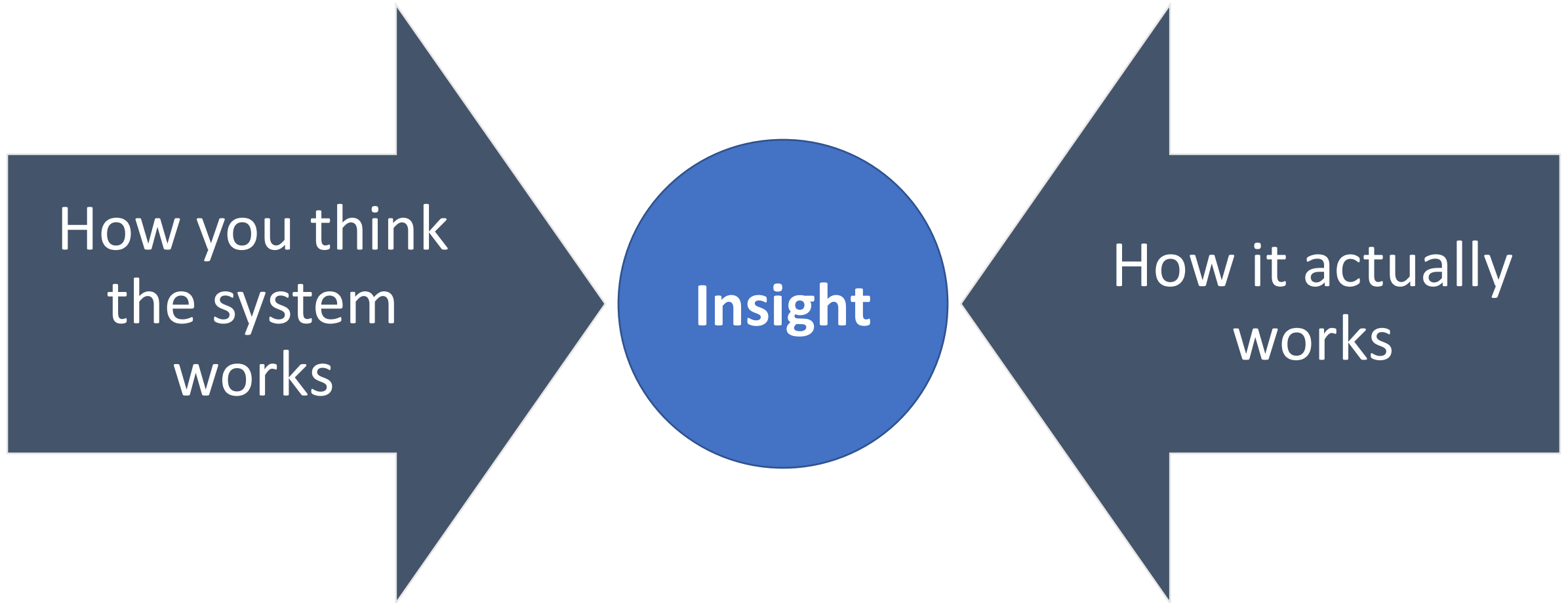
Integrating

- Between Platforms
- From External Platforms

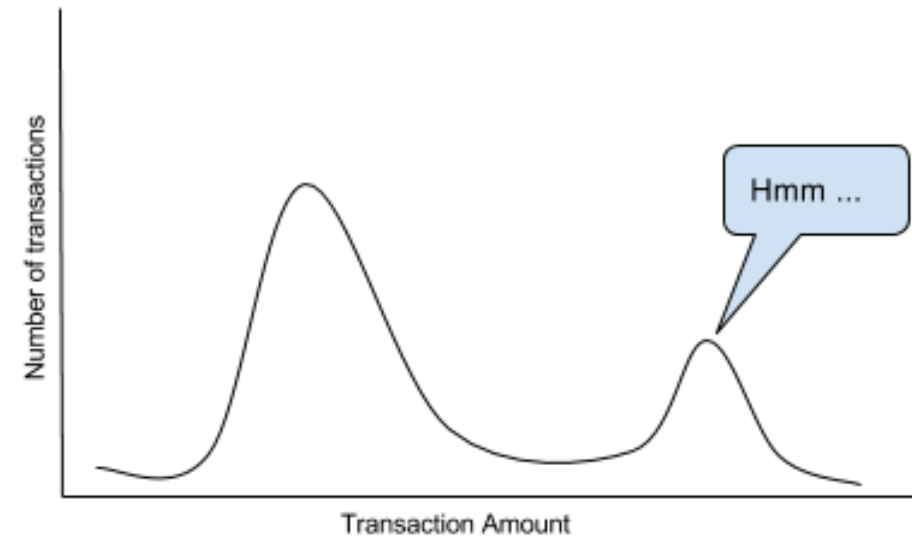
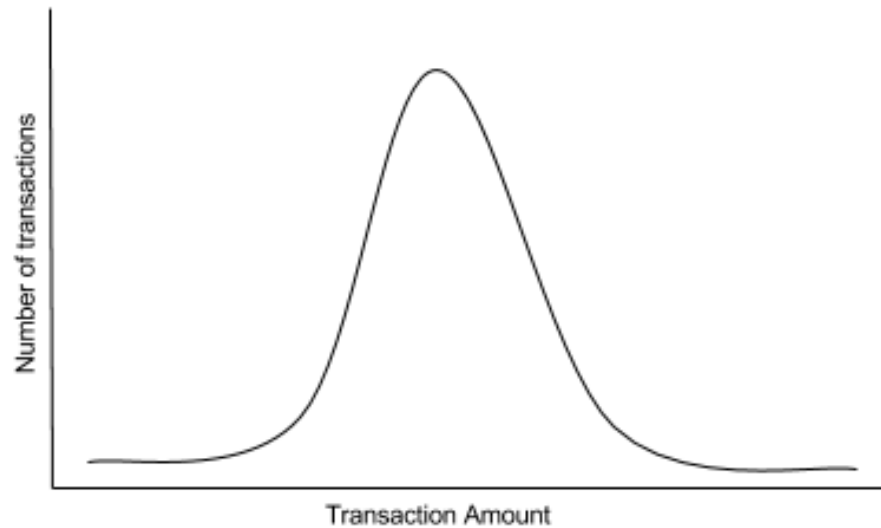
Maintaining

- Deduplicate
- Automate
- Format

I have data. I need insights.



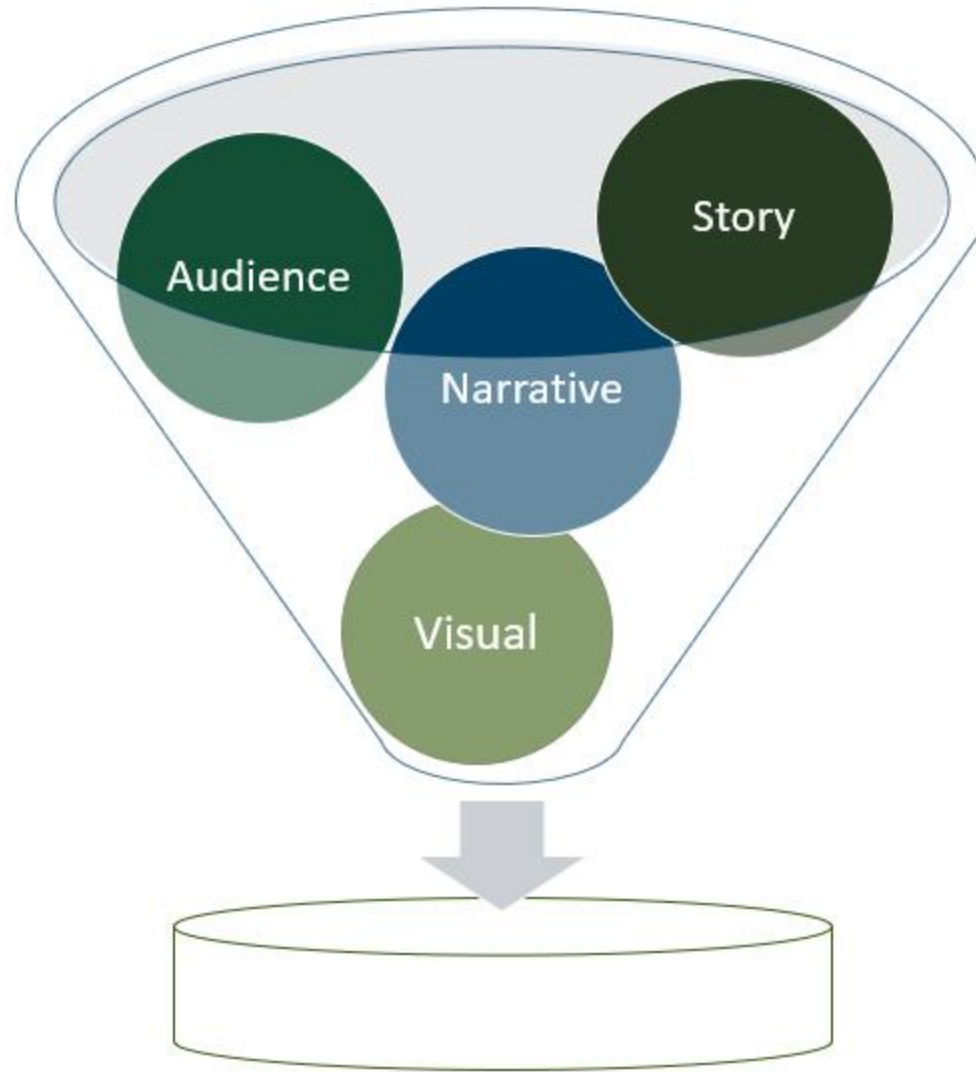
Predict and Check Example



What are your predictions?

10 minutes

Storytelling



DATA

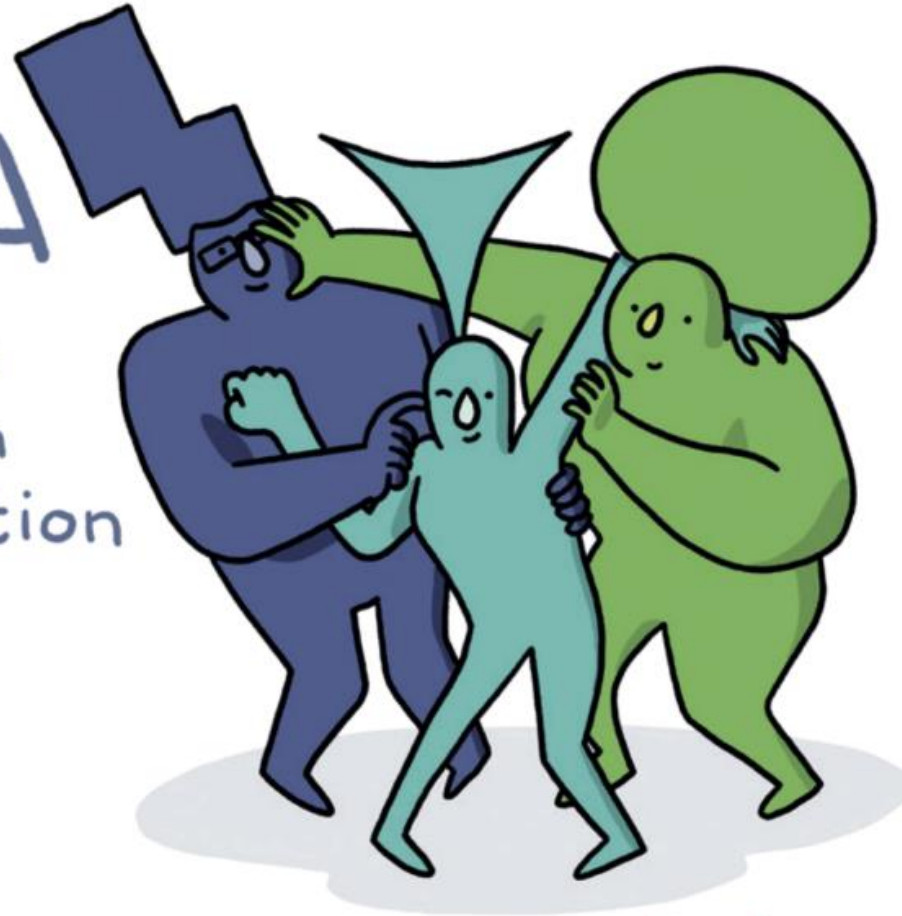
collection
selection
organization

CRAFT

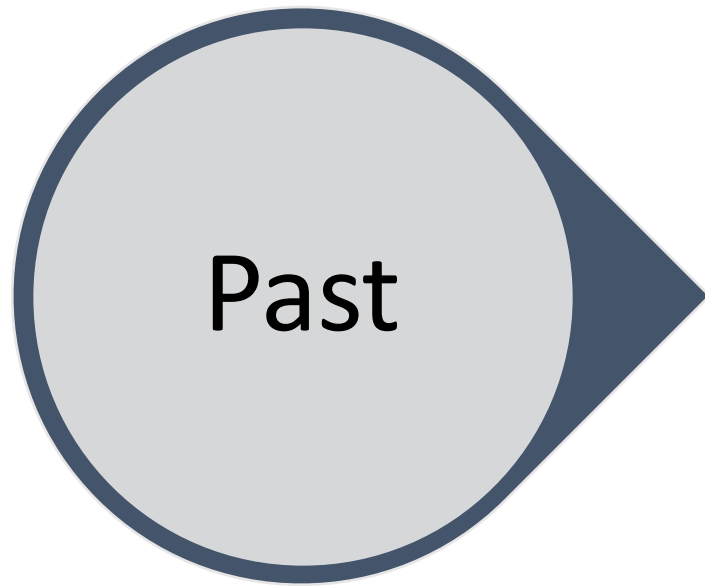
form
material
line
color
text
context

BIAS

cloud
reaction
intention

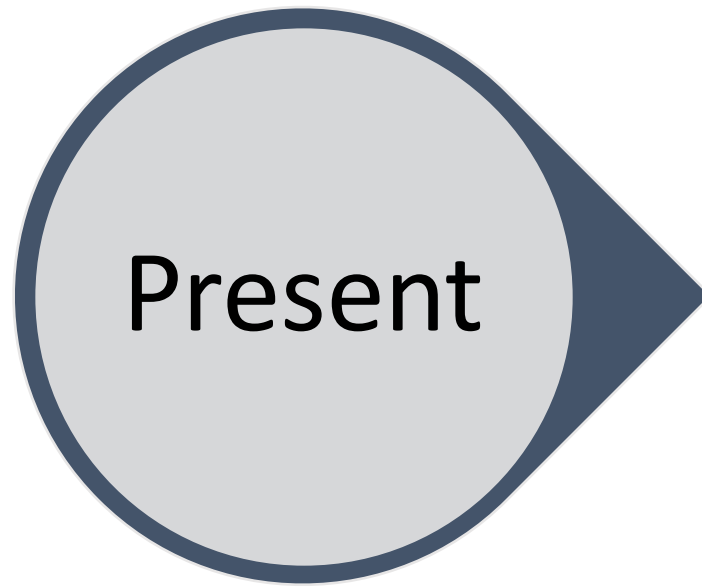


Financial Storytelling



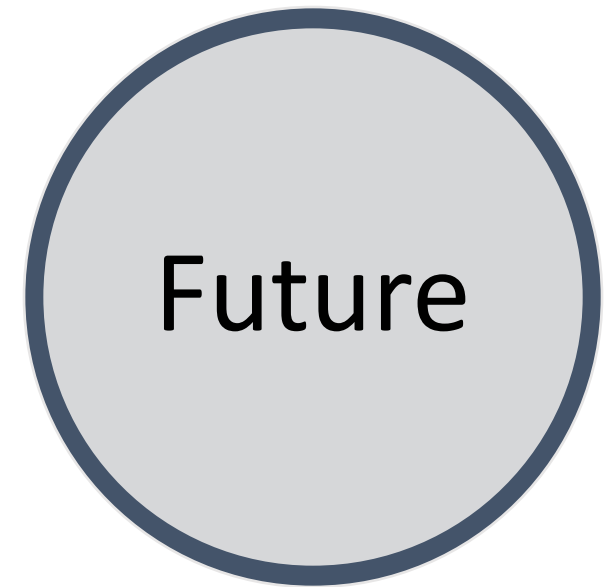
Past

How have service delivery and strategy changed over time?



Present

How does your budget connect to your strategy and organization's objectives?



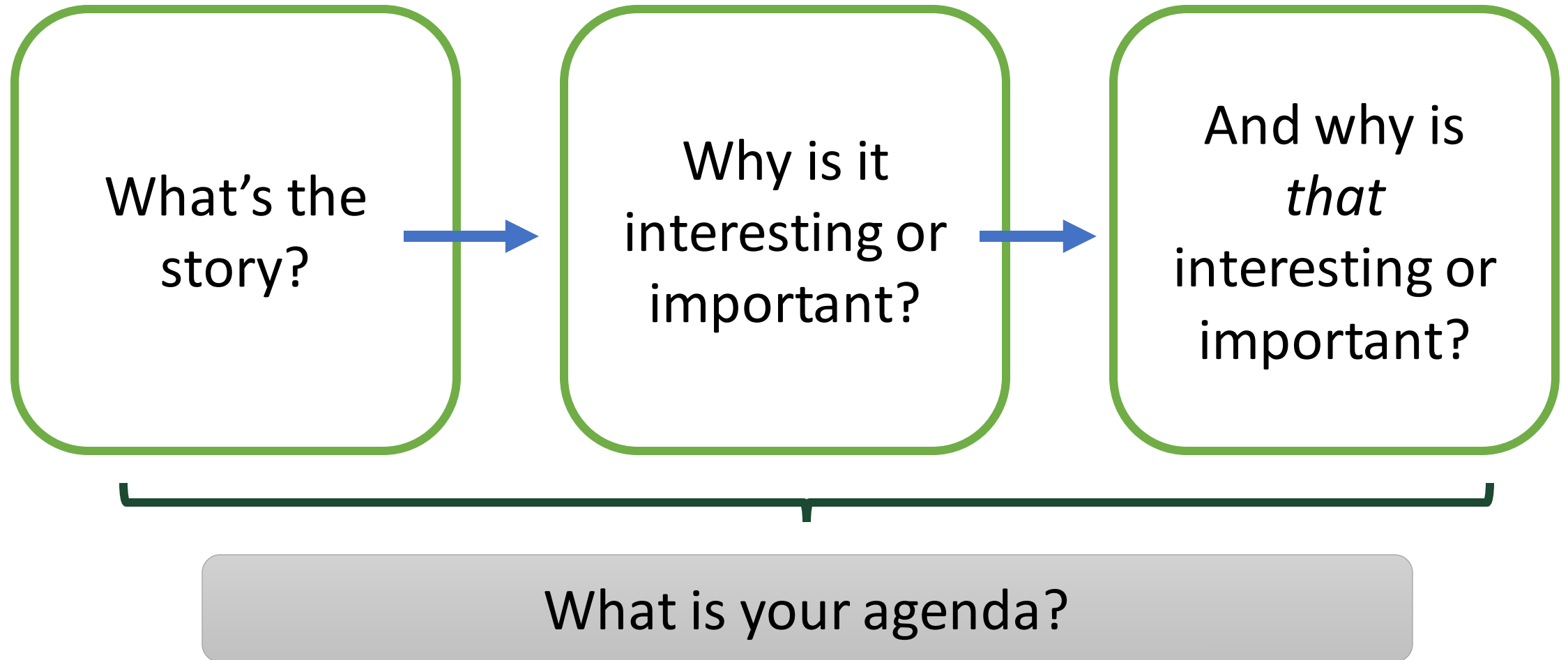
Future

What investments are needed to deliver on strategic priorities? What are the potential risks to mission delivery?

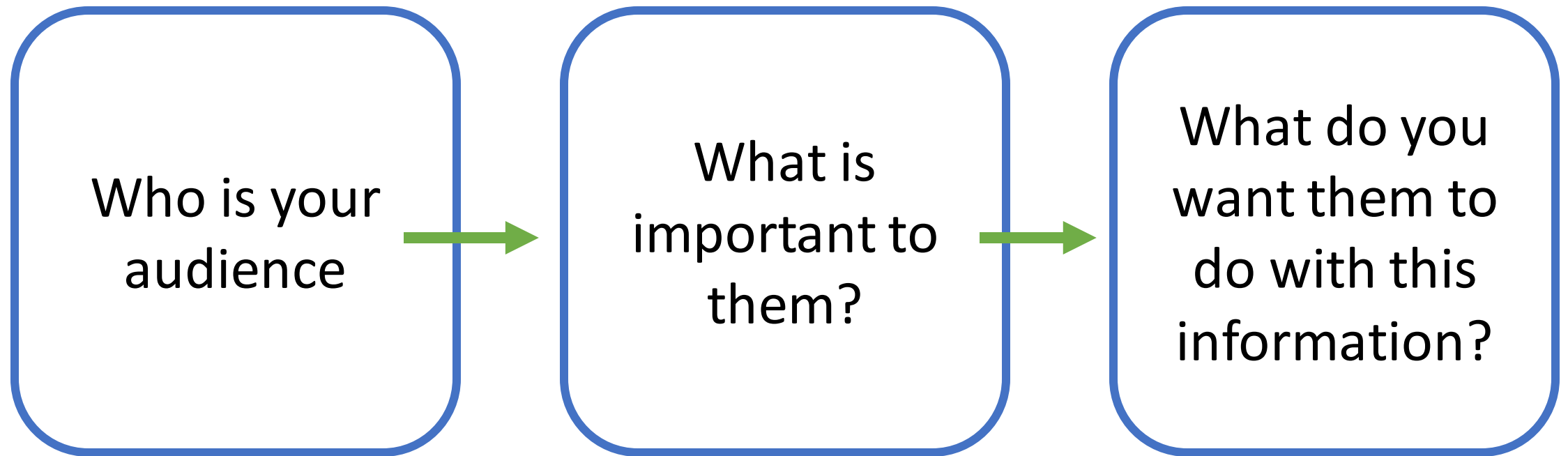
Building the Story

10 Minutes

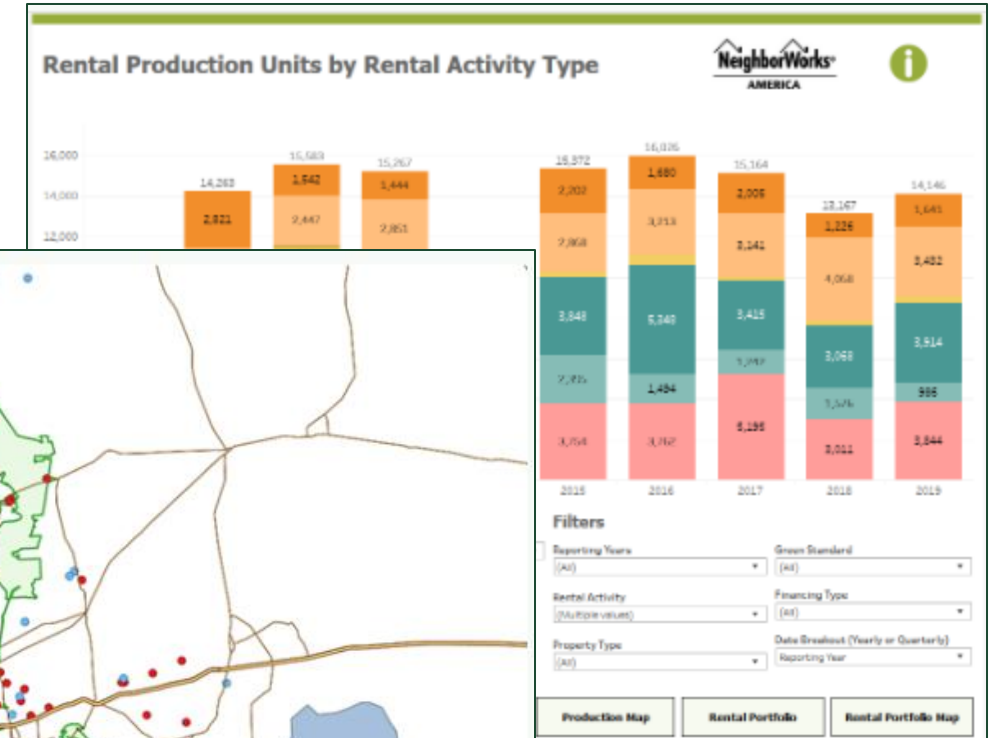
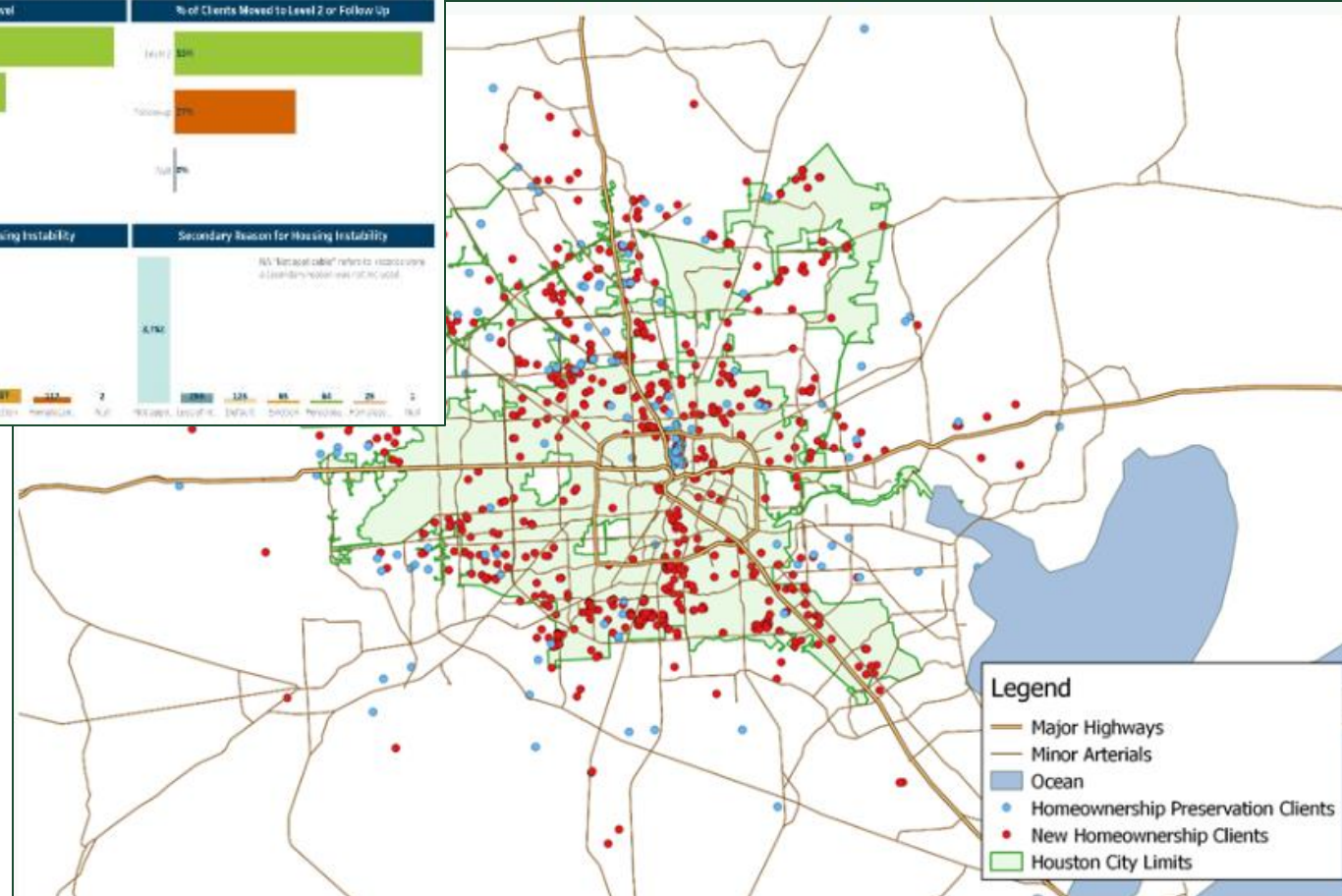
What are a few data stories you want to tell?



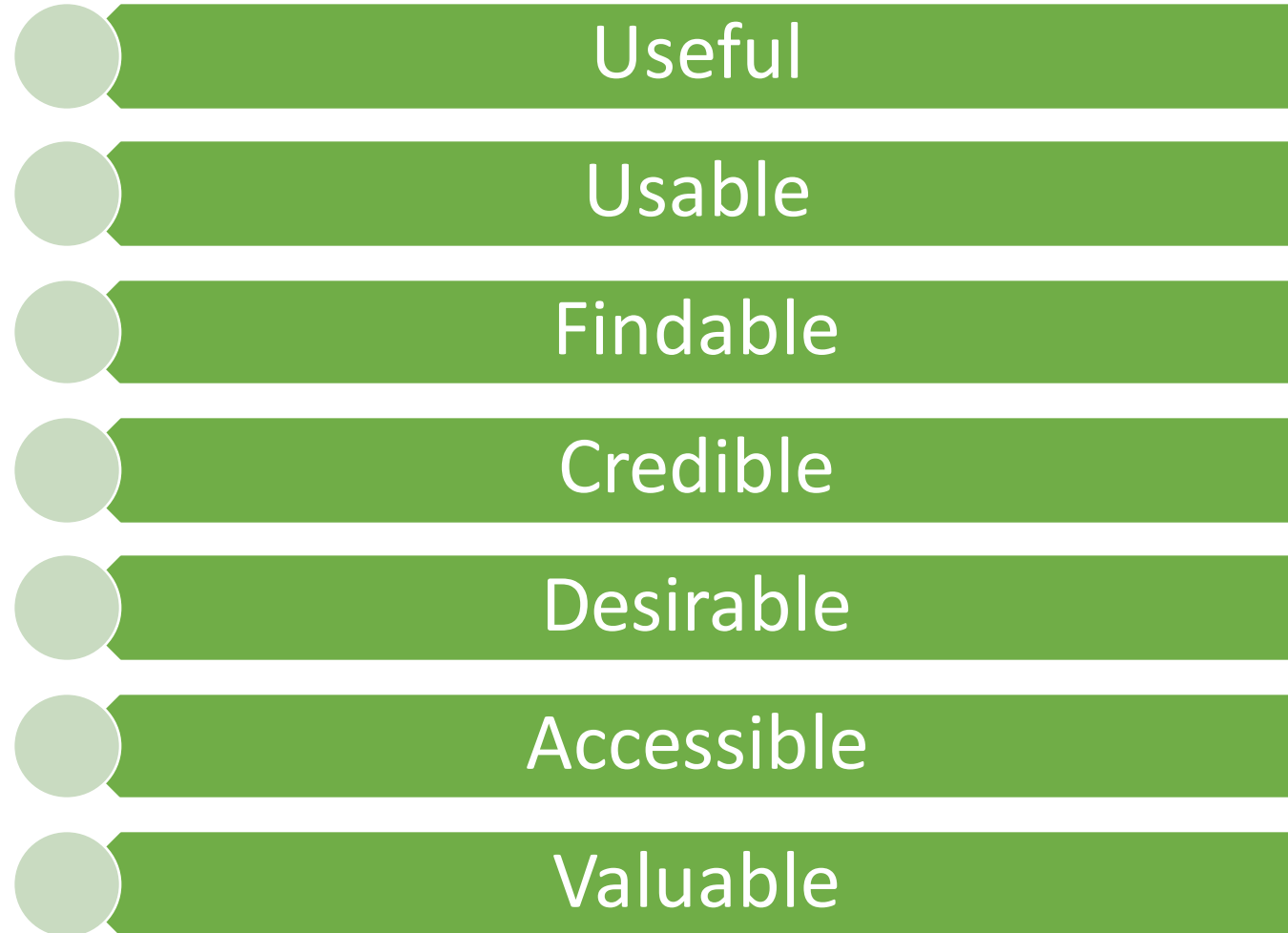
Who is this for?



Dashboards



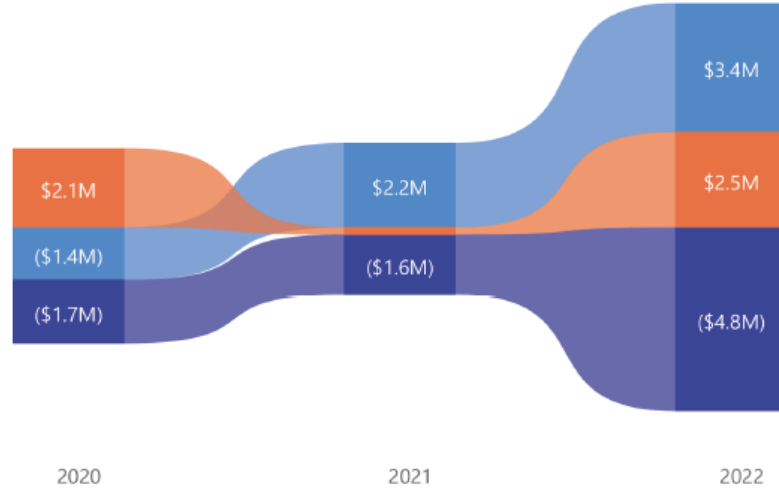
7 Factors of User Experience



**What can be done, what works,
and what doesn't?**

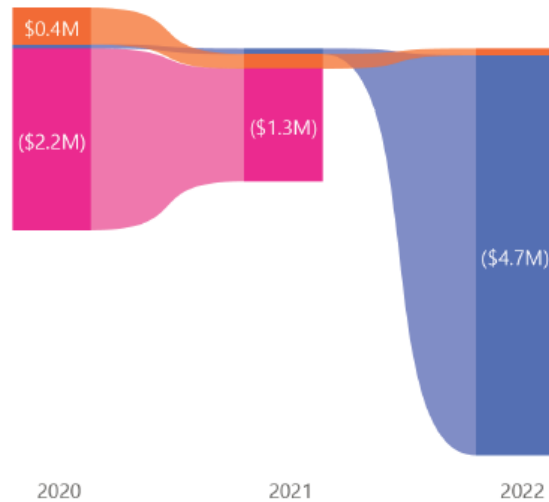
Cash Flow by Year

● Financing Cash Flow ● Investing Cash Flow ● Operating Cash Flow



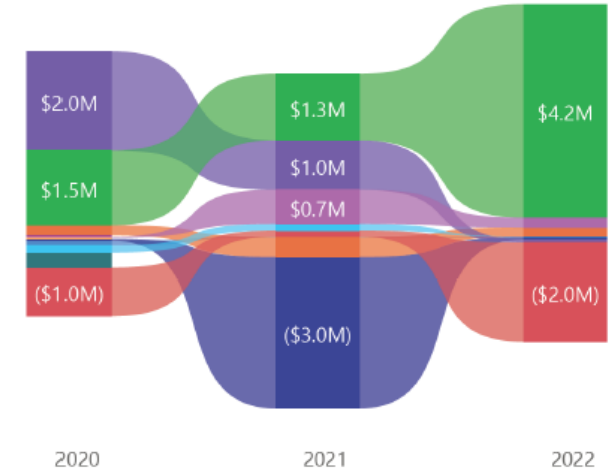
Investing Cash Flow

● Development Costs, Net
● Fixed Assets, Net
● New Home Loan Receivab...
● Notes Receivable, Net



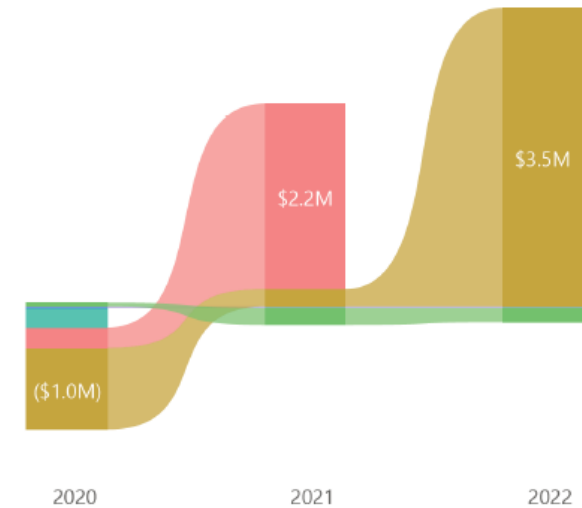
Operating Cash Flow

● Accounts Payable
● Accounts Receivable
● Accrued Expenses
● Cash Escrow
● Cash-Tenant Security
● Deferred Revenue
● Depreciation Expense
● Developer Fee Receivable
● Grants Receivable
● Net Income/(Loss)
● Prepaid Expenses
● Prepaid Rental Income



Financing Cash Flow

● Accrued Interest Payable
● Construction Loan Payable
● Deferred Notes Payable
● Line Of Credit
● Mortgages Payable
● Mortgages Payable, Curren...





East Bay Asian Local Development Corporation (EBALDC)

Reporting Period End

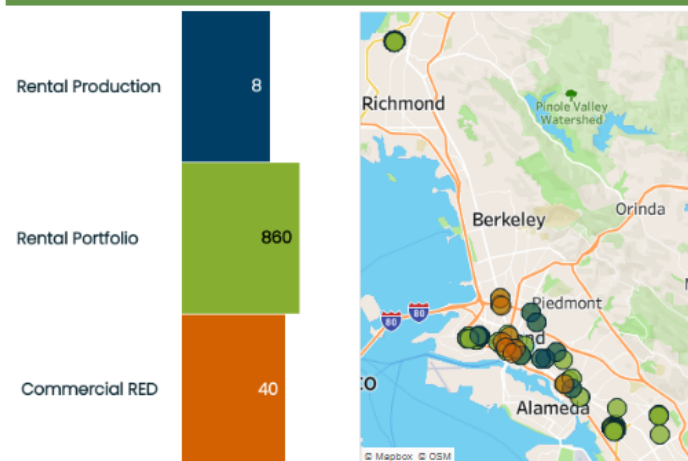
FY 2021 - Q 02

FY 2022 - Q 02

(All metrics based on 2020 Census Tracts, unless otherwise noted)

Race/Ethnicity

Economic Market Metrics



	U.S.	Service Area	Delta %		U.S.	Service Area	Delta %
American Indian/Alaska Native	0.7%	0.5%	-0.2	Renter Cost Burdened	42.3%	48.9%	6.6
Asian	5.1%	20.6%	15.6				
Black	12.9%	23.9%	10.9				
Hispanic	17.8%	29.3%	11.5	Renter Rate	35.7%	73.1%	37.4
Native Hawaiian	0.2%	0.6%	0.4	Poverty	14.2%	20.7%	6.5
Some other Race	0.3%	0.3%	0.0				
Two or More Races	2.7%	5.2%	2.5	Unemployment Rate	5.8%	6.7%	0.8
White Non-Hispanic	60.2%	19.6%	-40.6				

Change-Over-Time Metrics

Housing Market Rates

Housing Costs

Home Purchase Loans (Based on 2010 Census Tracts)

	2013 Count	2020 Count	Delta #	Delta %
U.S.	2,637K	4,212K	1,575K	59.7%
Service Area	0K	0K	0K	20.2%

Median Home Value *(Based on 2010 Census Tracts)*

	2015 Value	2020 Value	Delta \$	Delta %
U.S.	\$162,900	\$207,800	\$44,900	27.6%
Service Area	\$341,800	\$587,500	\$245,700	71.9%

	U.S.	Service Area	Delta %		U.S.	Service Area	Delta \$
HO Cost Burdened	23.0%	36.4%	13.4	Median Gross Rent (all units)	\$1,046	\$1,439	\$393
Homeownership Rate	64.3%	26.9%	-37.4				
Vacancy Rate (4 Sale and Rent)	2.7%	3.1%	0.4	Median Household Income	\$62,183	\$60,342	(\$1,841)

2022 Strength Matters Financial Management Conference

Sample Organization

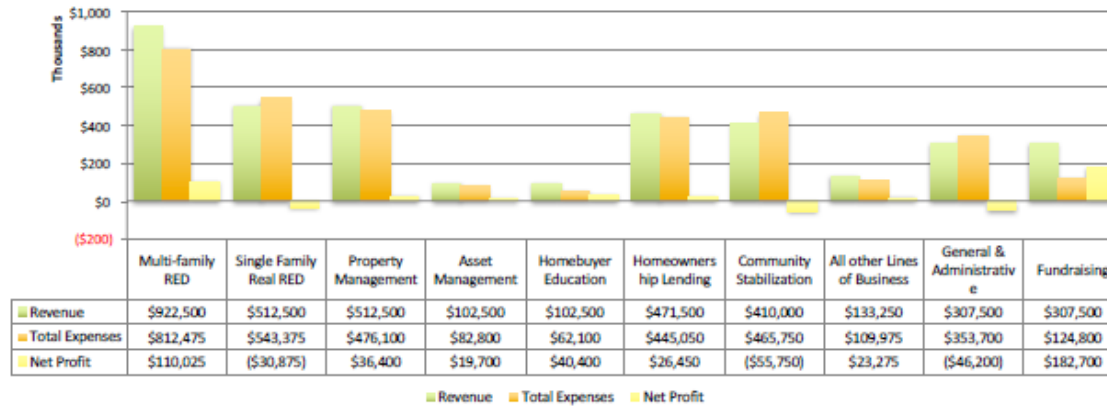
Organizational Health

Trended Financial Metrics	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16	Target	Formula*
Current Ratio	10.7	12.2	12.4	13.2	14.7	10.6	11.3	11.2	> 1.2	CA/CL
Quick Ratio	54.4	62.5	79.2	60.0	64.2	61.1	56.3	53.6	> 2	Unrest Cash/AP
Working Capital	\$1,044	\$1,201	\$1,037	\$1,120	\$1,230	\$1,054	\$1,138	\$1,060	> \$1,159	CA-CL
Days Cash on Hand	116	134	113	122	132	113	120	111	> 120	WC/OpEx per Day
Debt/Net Assets (NA)	49%	48%	48%	46%	45%	44%	44%	42%	< 40%	Debt/NA
Short Term Debt/NA	10%	10%	10%	9%	9%	9%	9%	9%	< 25%	ST Debt/NA
Debt Service Coverage	15.0	8.1	889.6	16.5	17.3	7.6	-112.5	17.3	> 2	Profit or Loss/Debt Svc
Capital Ratio	76%	75%	78%	79%	78%	81%	80%	83%	> 50%	NA/TA
Program Services %	86%	86%	88%	85%	85%	86%	88%	86%	> 75%	Program Svcs/OpEx
Fundraising %	38%	37%	32%	33%	36%	39%	38%	36%	< 25%	Fundraising/M&G Exp.
Deployment Ratio	42%	57%	61%	66%	50%	76%	82%	88%	> 85.0%	Mortgages/Lending Pool
Self Sufficiency	20%	18%	16%	17%	17%	19%	15%	15%	> 50%	Earned Revenue/OpEx
Unrestricted Net Asset Ratio	46%	46%	48%	49%	49%	51%	51%	53%	> 50%	Unrestricted NA/TA

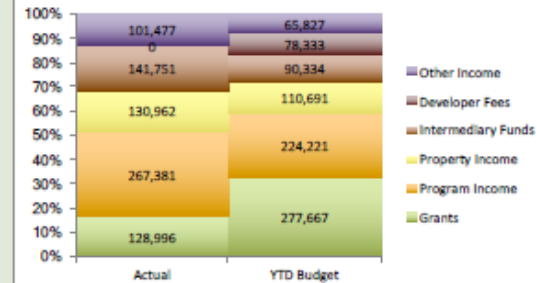
Income Statement

Income Statement Summary	Actual	YTD Budget	Annual Budget
Grants	128,996	277,667	833,000
Program Income	267,381	224,221	672,661
Property Income	130,962	110,691	332,072
Intermediary Funds	141,751	90,334	271,000
Developer Fees	0	78,333	235,000
Other Income	101,477	65,827	197,482
Total Revenue	770,567	847,073	2,541,215
Salaries & Fringe	678,822	658,880	1,976,639
Professional Services	30,007	92,333	277,000
Occupancy	17,320	13,073	39,222
Office Expenses	51,695	51,035	153,011
Resident Services	60	4,917	14,750
Insurance	11,951	6,608	19,825
Training	9,882	7,100	21,300
Travel	19,963	15,767	47,300
Interest Expense	2,079	8,333	25,000
Other	1,971	(1,333)	(4,000)
Total Expenses	823,750	856,713	2,570,047
Net Income/(Loss)	(53,183)	(9,640)	(28,832)

Line of Business Performance

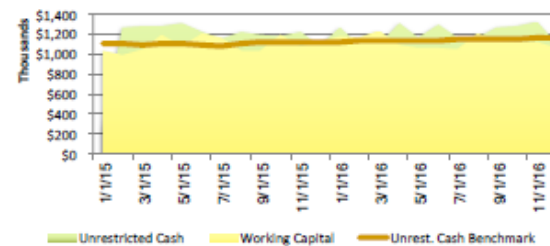


Revenue Mix

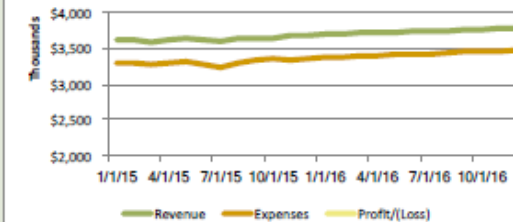


Margin Analysis	2016		2015	
	Net Profit Margin	Contribution Margin	Net Profit Margin	Contribution Margin
Multi-family RED	11.9%	2.9%	12.8%	3.1%
Single Family Real RED	-6.0%	-0.8%	-5.0%	-0.7%
Property Management	7.1%	1.0%	8.0%	1.1%
Asset Management	19.2%	0.5%	20.0%	0.5%
Homebuyer Education	39.4%	1.1%	40.0%	1.1%
Homeownership Lending	5.6%	0.7%	6.5%	0.8%
Community Stabilization	-13.6%	-1.5%	-12.5%	-1.4%
All other Lines of Business	17.5%	0.6%	38.1%	1.3%
General & Administrative	-15.0%	-1.2%	-20.9%	-1.7%
Fundraising	59.4%	4.8%	58.2%	4.7%
Total	8.1%	8.1%	9.0%	9.0%

Liquidity and Unrestricted Cash



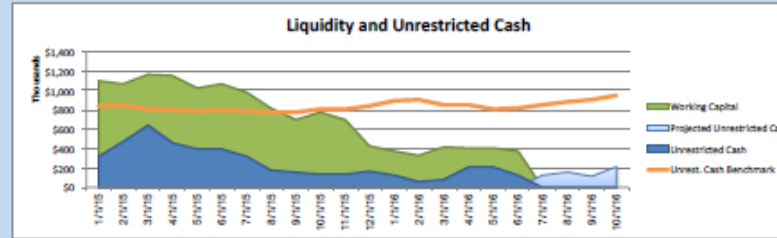
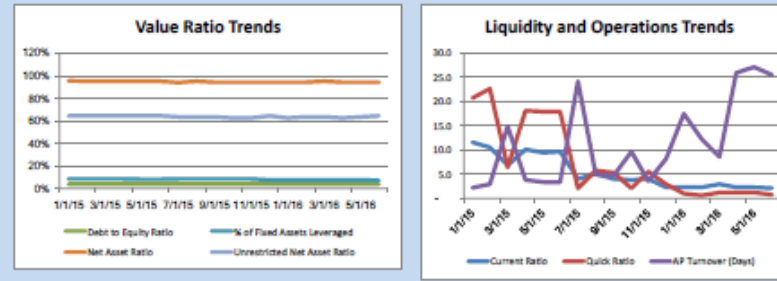
Revenue & Expense Trend (Rolling 12-month)



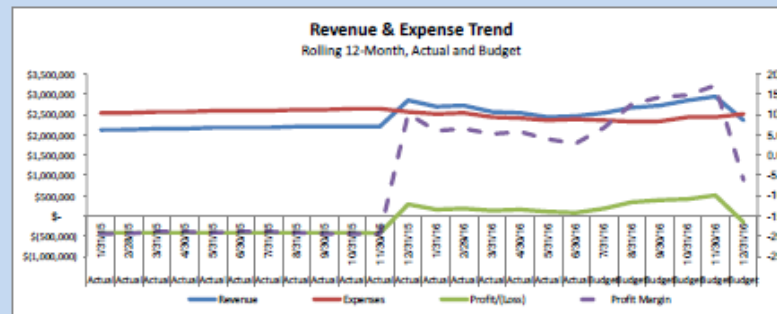
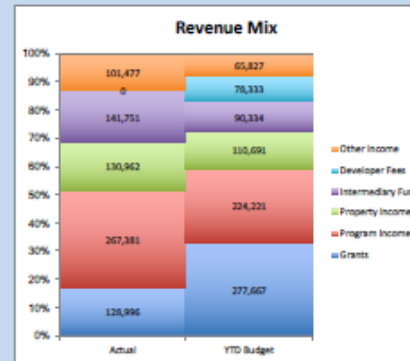
*Glossary: CA=Current Assets CL=Current Liabilities AP=Accounts Payable WC=Working Capital NA=Net Assets (Equity) ST Debt=Short Term Debt OpEx=Operating Expenses M&G=Management & General TA=Total Assets

Sample Organization

Organizational Health

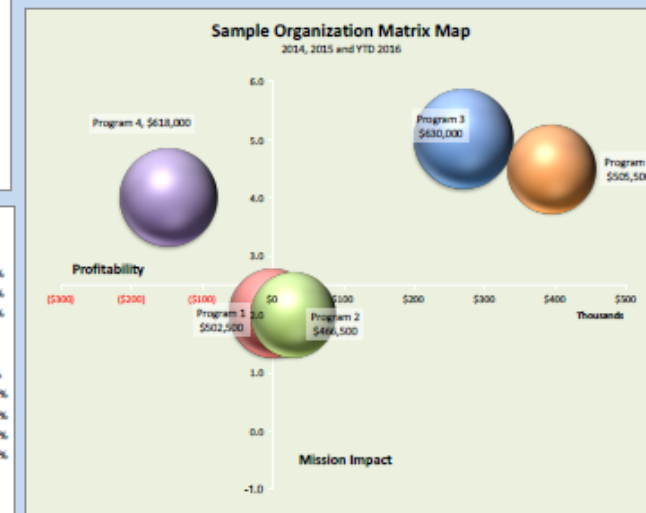
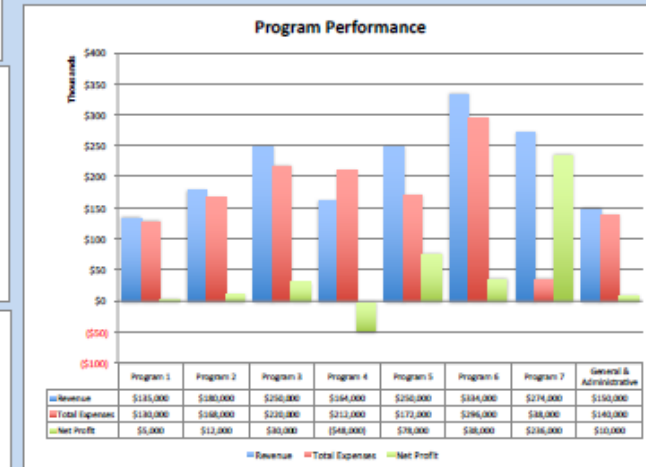


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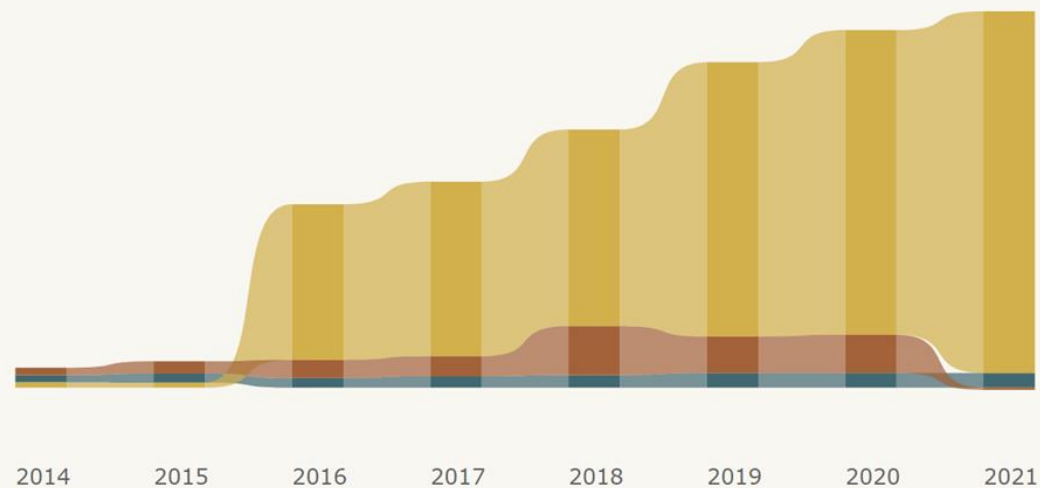
Performance Analysis

Margin Analysis	Year-to-Date		2014-to-Date	
	Net Profit Margin	Contribution Margin	Net Profit Margin	Contribution Margin
Program 1	3.7%	0.3%	0.0%	0.0%
Program 2	6.7%	0.7%	5.8%	0.5%
Program 3	12.0%	1.7%	30.0%	5.1%
Program 4	-20.3%	-2.8%	-31.2%	-2.8%
Program 5	31.2%	4.5%	43.8%	7.4%
Program 6	11.4%	2.2%	12.6%	2.4%
General & Administrative	86.1%	13.6%	80.7%	9.4%
Total	20.8%	20.2%	22.6%	22.6%



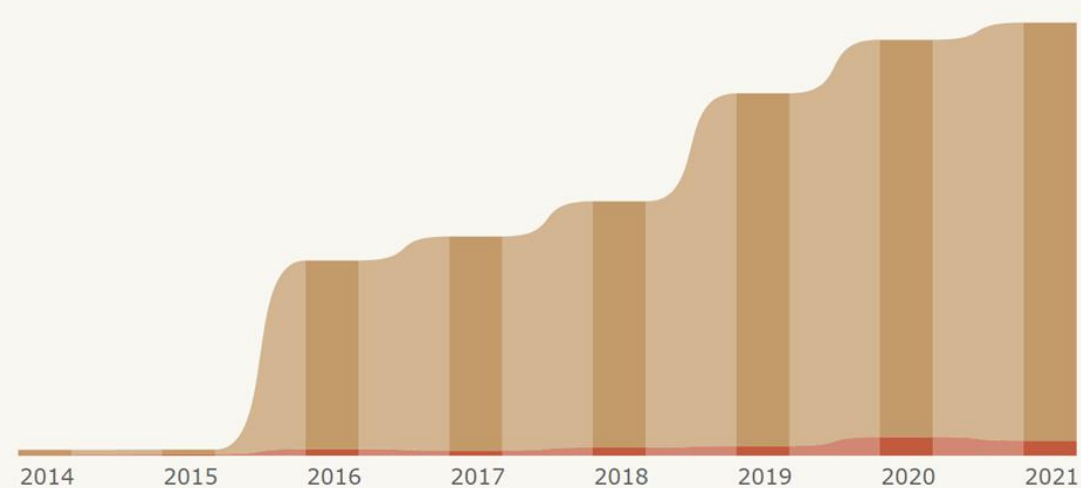
Assets by Fiscal Year and Subtotal

Subtotal ● Current Assets ● Fixed Assets ● Other Assets



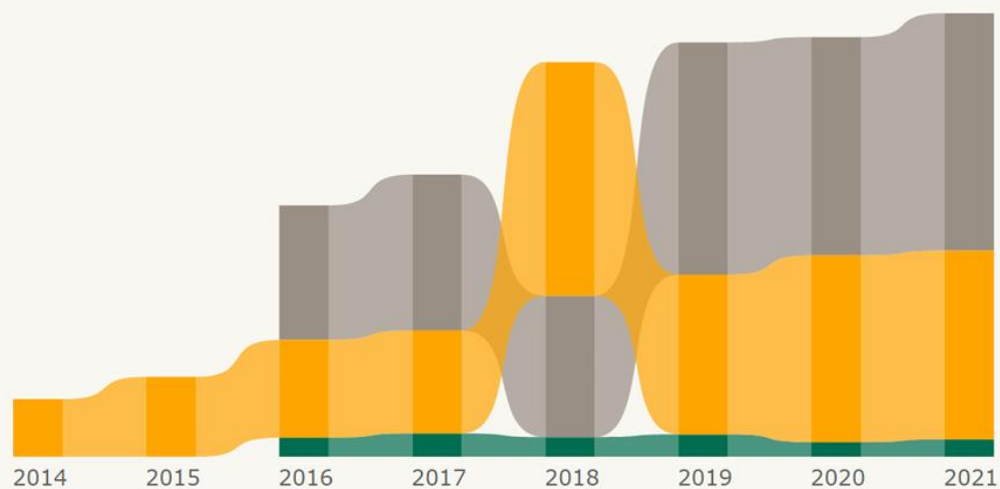
Liabilities by Fiscal Year and Subtotal

Subtotal ● Current Liabilities ● Long Term Liabilities



Net Assets by Fiscal Year and Subtotal

Subtotal ● Board Restricted ● Non-Controlling Interests ● Unrestricted



Current Ratio

1.7

Months of Op Cash

3.6

Working Capital

\$17.6M

Debt Ratio

174.7%

Adj Debt Ratio

153.1%

Return on Assets

-1.3%

Net Asset Ratio

33.9%

Adj Net Asset Ratio

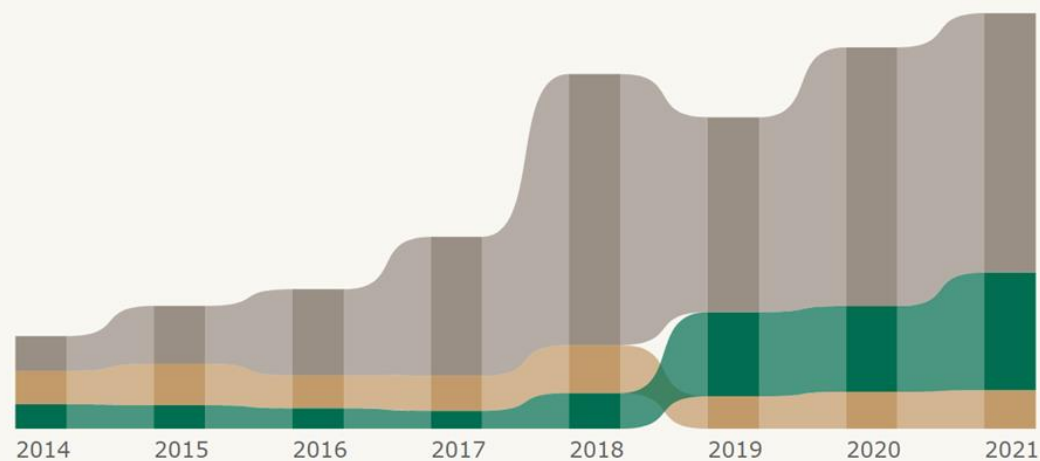
38.6%

Return on Equity

-3.8%

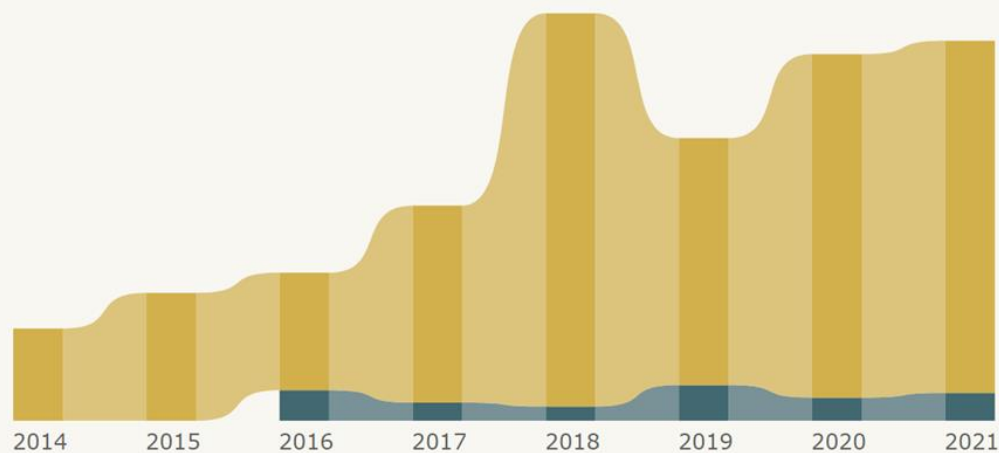
Assets by Fiscal Year and Subtotal

Subtotal ● Current Assets ● Fixed Assets ● Other Assets



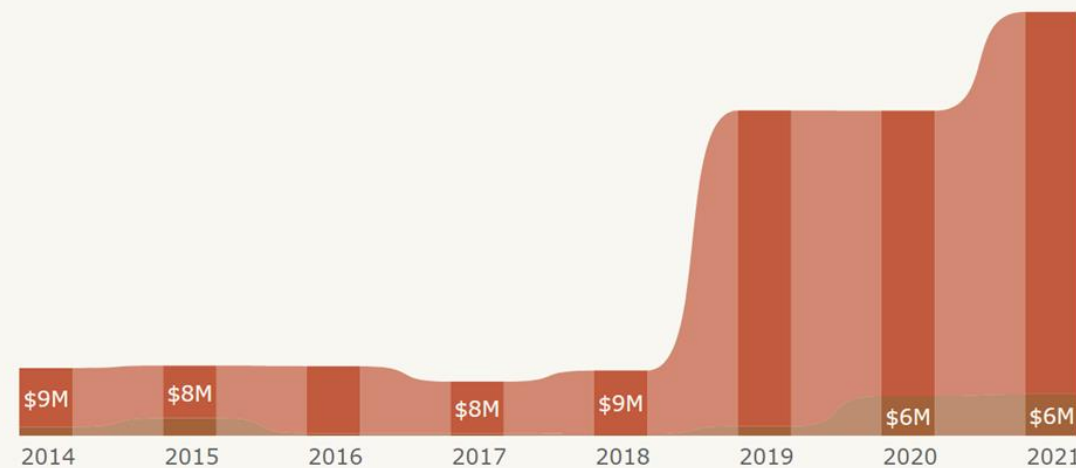
Net Assets by Fiscal Year and Subtotal

Subtotal ● Board Restricted ● Unrestricted



Liabilities by Fiscal Year and Subtotal

Subtotal ● Current Liabilities ● Long Term Liabilities



Current Ratio

4.0

Months of Op Cash

4.6

Working Capital

\$18.2M

Debt Ratio

27.0%

Adj Debt Ratio

26.8%

Return on Assets

2.7%

Net Asset Ratio

76.2%

Adj Net Asset Ratio

76.6%

Return on Equity

3.5%

Dashboard Dos

Clear

Consistent

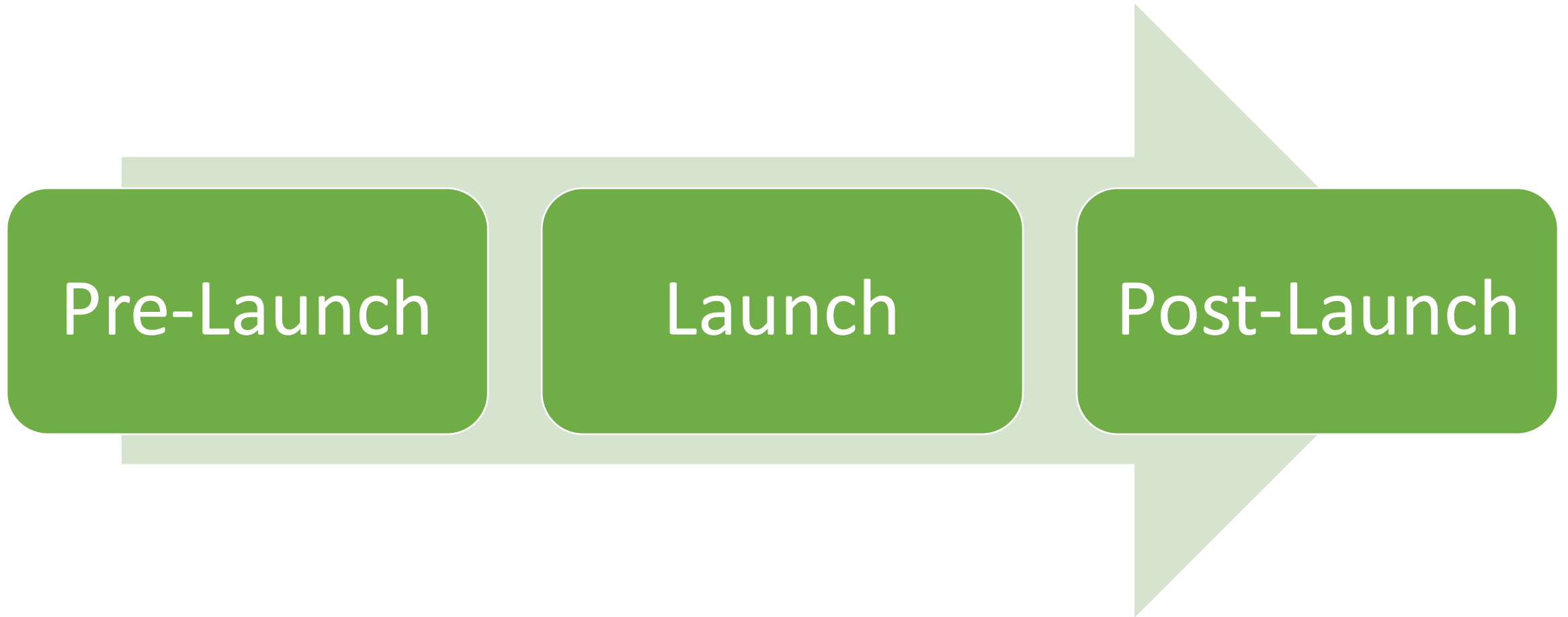
Focused

Simple

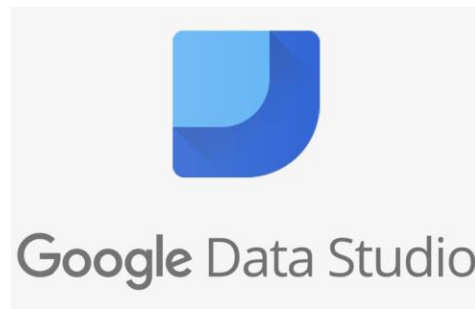
Logical

Attractive

Getting Your Team on Board



There are Tools for Everyone



What we know and what's next

What you're able to do is what's best for you and your organization

Start small – dashboards can do a lot, but they don't need to do everything

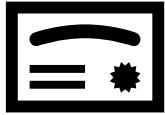
Feedback can be elusive but it's critical for many reasons

Creation is just the first step; maintenance and refinement follow

Evaluation Reminder

- Please submit all conference evaluations. Use the electronic evaluation link in your email.
- Contact consult.lwells@gmail.com if you do not receive the link.

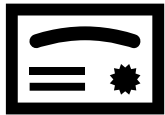
CONTACT INFORMATION



Michael Butchko

mbutchko@nw.org

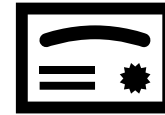
571-581-4644



Lisa Nelson

lisa@focus-flow.com

916-213-2963



Lindsay Wells

(CPE credit contact)

consult.lwells@gmail.com

