



Top Seven Signs Your Nonprofit Is Ready for Digital Transformation

Forvis Mazars Nonprofit Advisory Services

August 22, 2024

Your Presenters

Corinna Creedon, CPA Managing Director



Corinna is a Managing Director of Forvis Mazars and leads its National Nonprofit Advisory Services Practice, as well as the New York Nonprofit Advisory Services and Emerging Outsourced Accounting Services practices. She is the National Leader for Forvis Mazars' Nonprofit Digital Technology Strategy and Innovation team.

She brings more than 25 years of experience as a finance executive, where she has provided interim- and outsourced-CFO services to a wide range of organizations. Well-known for her strong project management skills and providing **Unmatched Client Experiences**®, Corinna is widely regarded for her ability to quickly assess an organization's needs and execute engagements in a timely manner. She excels at leveraging technology to automate and enhance efficiencies, and redesigning accounting departments to provide for effective internal controls over financial reporting processes which also support the strategic plans of the organization's mission.

Corinna is a frequent speaker at regional and national conferences. Prior to joining Forvis Mazars, Corinna ran her own consulting practice, specializing in outsourced and interim CFO engagements, special projects, and PMO engagements. Corinna began her career in audit at an international accounting firm and then moved into the private sector and nonprofit arena serving in finance executive roles.

She is a member of the American Institute of CPAs and the New York State Society of CPAs.

She has also been honored as one of Crain's New York's Notable Leaders in Accounting and Consulting in each of [2020](#), [2021](#), [2022](#), and [2023](#).

Corinna holds dual degrees in accounting and international business from NYU Stern School of Business and is a licensed CPA in New York.

Andrew Horrow Director



Andrew has 15 years of experience serving nonprofit and public sector organizations. He is versed in various aspects of internal and external reporting, grants management and procurement, system implementations, and accounting system automation design. He also has experience in dealing with tax matters for exempt organizations, payroll tax considerations, and other filings. He is a Director in Forvis Mazars' Nonprofit Digital Technology Strategy and Innovation team.

Prior to joining Forvis Mazars, he ran the accounting department for a large microfinance institution, helping them centralize all accounting systems for their nationwide operations. He also was a managing tax accountant at a regional public accounting firm specializing in Form 990 preparation and review.

Andrew is certified in FENXT and Sage Intacct. He has intimate knowledge and training on many other GL, AP, Budgeting, Purchasing, and Fixed Asset Platforms.

He is a member of the American Institute of CPAs and is a licensed CPA in New York and Pennsylvania.

Andrew is a graduate of Muhlenberg College, Allentown, Pennsylvania, with a B.A. degree in accounting and finance.

What Is Digital Transformation?

Driving transformative change within an organization through the implementation & optimization of technology.

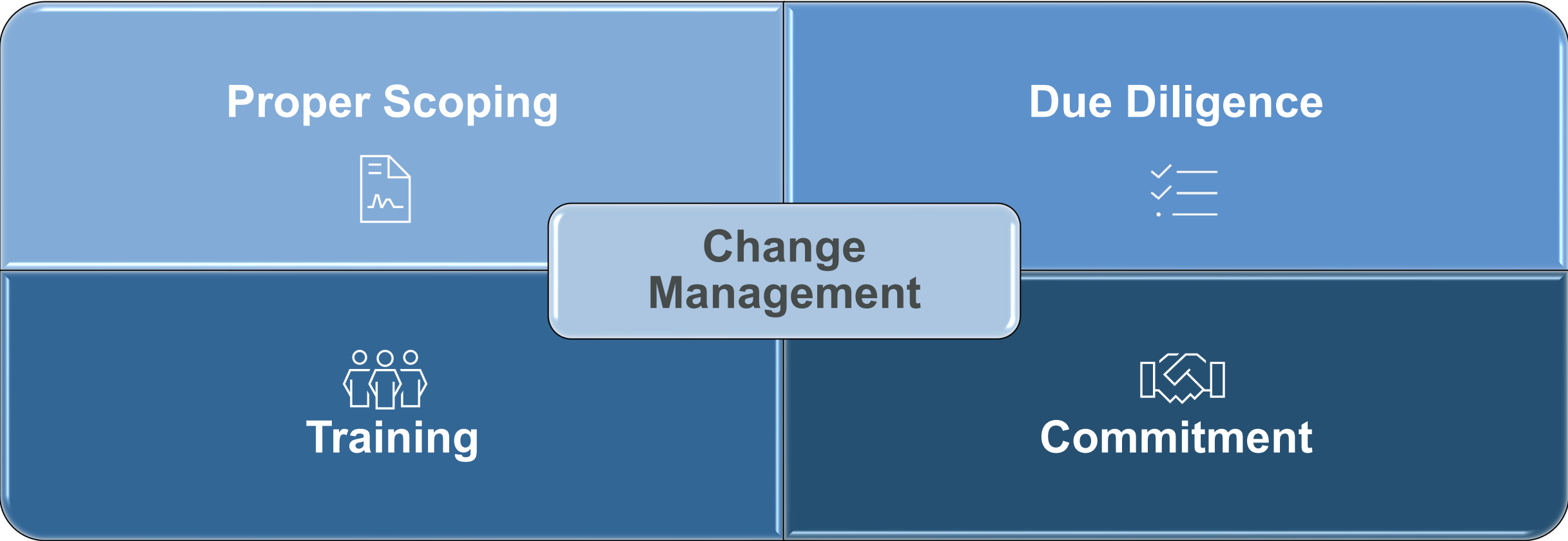
This includes the technology itself, but also the people & processes within & around the technology.

In our context, this might include:

- Transitioning to a new GL software
- Implementing auxiliary software, such as AP, grants management, or travel management software
- Upskilling employees to use new software platforms
- Developing more collaborative & innovative thinking within an organization
- A shift away from “this is how it’s always been done”



Keys to Successful Digital Transformation



Seven Signs Your Nonprofit Needs Digital Transformation

1. Extensive Use of Excel
2. Use of Internally Hosted Software
3. Board Reporting Inconsistencies
4. Vendor Management Problems
5. Prolonged Close
6. Lack of Automated Internal Controls
7. Data Redundancy Across Systems



1 – Extensive Use of Excel



Warning Signs

- Doing allocations in Excel
- Performing monthly close items in Excel
- Pulling reports out of GL & manipulating in Excel them to get what you need
- Manually creating custom reports in Excel for various audiences throughout the organization



Why It's a Problem

- Manual, time consuming, error prone
- Can't tell if mission objectives are being met through reporting
- Can't make informed decisions if it takes two weeks to get the data together



How Digital Transformation Can Help

- Can specify what data you want/need when you implement
- Create custom reports
- Auto-created reports
- Create reports that auto-send to specific audiences each month, *i.e.*, Department heads

2 – Use of Internally Hosted Software

Warning Signs

- Having software that is hosted on an on-site server
- Generally have IT staff that upkeep the system, troubleshoot errors, update/modify infrastructure when necessary

Why It's a Problem

- Security issues
- No or limited auto-recovery systems in case of ransomware attacks or natural disasters
- Limited scalability
- Limited accessibility
- Limited integrations



How Digital Transformation Can Help

- Increase data security & reduce security burden on in-house IT staff
- Provide more flexibility for hybrid & remote work
- Improve internal efficiencies with software that is updated & improved consistently
- Transition risk to vendor

3 – Board Reporting Inconsistencies

What happens when different board committees receive different or conflicting reports?

Why It's a Problem

- Data between reports is not consistent
- Decisions made off of inaccurate data
- Staff & management can look unprepared in front of board

How Digital Transformation Can Help

- Create custom reports for Board meetings & Committee meetings
- Ensure data provided is up-to-date, accurate, & consistent across reporting
- Dashboards created from central point of truth



4 – Vendor Management Problems



Warning Signs

- Paper invoices & invoices via email getting lost or not recorded correctly
- Lack of communication between departments around where an invoice is in the approval & payment process



Why It's a Problem

- Vendors don't get paid on time
- Loss of reputation



How Digital Transformation Can Help

- Increase transparency in AP process
- Staff can see where the bill or payment is at any point in the process
- Improve approval workflows
- Centralized area for all invoices

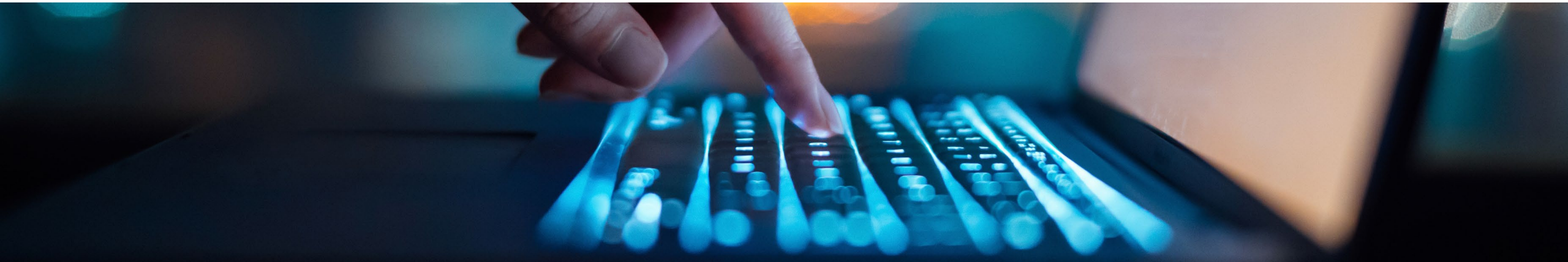
5 – Prolonged Close

What Does It Look Like?

- Takes 3-4 weeks for the close process to finish
- By the time one close process finishes, the other starts
- Manual processes & lack of communication during close

What Can Digital Transformation Do?

- Increase transparency in close process
- Automate workflows & processes during close & move staff into higher level work
- Increase job satisfaction & leave time for other work items



6 – Lack of Automated Internal Controls



Warning Signs

- Staff may be unaware of internal control processes in place
- Even if staff are aware of processes, a lack of automation creates more opportunity to circumnavigate controls
- Potential increase in errors



How Digital Transformation Can Help

Automated workflows that line up with internal control best practices

Documentation is standardized & maintained in an organized fashion

7 – Data Redundancy Across Systems



Warning Signs

- Having to enter the same data in multiple areas, such as GL & AP systems



Why It's a Problem

- Staff spend double the time entering the same information
- Manual entry into two different systems increases the potential for error



How Digital Transformation Can Help

- Create an environment where systems talk to each other
- Reduce the amount of time staff spend entering data
- Reduce the potential for errors in data



High-Level Benefits of Digital Transformation

Increase in Employee Attraction & Retention

Lower Total Cost of Ownership

Better Insights Into the Organization's Mission

Increased Ability to Grow & Scale



Questions?



CPE CREDIT

- CPE credit may be awarded upon verification of participant attendance
- For questions, concerns, or comments regarding CPE credit, please email Forvis Mazars at cpecompliance@us.forvismazars.com



Forvis Mazars, LLP is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.nasbaregistry.org

Thank You for Attending!

Additional Questions? Please contact us:

Corinna Creedon

Managing Director

corinna.creedon@us.forvismazars.com

Andrew Horrow

Director

andrew.horrow@us.forvismazars.com

The information set forth in this presentation contains the analysis and conclusions of the author(s) based upon his/her/their research and analysis of industry information and legal authorities. Such analysis and conclusions should not be deemed opinions or conclusions by Forvis Mazars or the author(s) as to any individual situation as situations are fact-specific. The reader should perform their own analysis and form their own conclusions regarding any specific situation. Further, the author(s)' conclusions may be revised without notice with or without changes in industry information and legal authorities.

© 2024 Forvis Mazars, LLP. All rights reserved.