

NonProfit Financial Managers

A Resource for the areas of Finance, IT, Human Resources, and Office/Facilities Management

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For information, go to npfm.org, or contact Mitzi Fennel at 617-547-1063 x235 or Jessica Zander at 617-850-1752.

Mark Your Calendars

All of our meetings take place on the **last Tuesday** of each month. No pre-registration required. Upcoming dates:

- **Feb 23: Green Offices/Sustainability**
- **March 30: Employee Wellness**

NPFM Membership Information

The annual membership fee of \$100 covers monthly mailings and other operating expenses. The membership period is from September to August. A part-year membership for \$60 is offered for those joining after January 1, which covers membership through August. Full-time students are welcome to join at any time without paying a fee.

In addition to attendance at monthly meetings, members receive a monthly newsletter and access to the NPFM e-mail forum. Lunch is provided for all attendees at meetings. There is a \$12 meeting fee for non-members, and since membership is by organization, there is no limit of individuals from any one organization who may attend the meetings.

R.S.V.P.s for the meetings are not required.

For renewals or new membership fees, please make your check out to:

NonProfit Financial Managers
C/O Child Care Resource Center
130 Bishop Allen Drive
Cambridge, MA 02139

Contact Mitzi Fennel at 617-547-1063, x235 for more information.

The Next Meeting

Topic: Green Offices/Sustainability

Date: February 23, 2010

**Location: United South End Settlements
566 Columbus Ave., Boston**

Time: 12:00 PM – 1:30 PM

Title: Green Office/Sustainability

How can you operate a green office? What kind of recycling can you do? What kind of conservation policies can you adopt? Are they cost effective? A panel will discuss these issues and others.

Recap of January Meeting

Title: Communicating Compensation Practices

Gordon Gottlieb, a Human Resources expert from the Technical Development Corporation, gave a presentation about current best practices for communicating compensation practices within nonprofit organizations. He recommends that a compensation policy be established. There are three main issues involved in setting up and communicating a compensation policy. First, do you have a formal policy? Second, how do you communicate that policy and other sensitive issues to employees? And third, how does the organization deal with the emotional issues that compensation policies and implementation often trigger? Occasionally, sensitive salary information can inadvertently be shared and sound policies help to mitigate unnecessary complications.

The first step is to determine a salary administration policy. Start with the basics. Does every position have a job description listing the

education and skills necessary for the job and the job responsibilities? Next, group like jobs and start developing salary ranges. Establish a minimum, maximum, and midpoint. It is helpful to have a formal compensation policy, outlining how initial salaries are set and how they are administered after that; how and when are salary increases given? There are several choices: you give across the board COLA increases; you can choose to go the merit raise route; or you can do a hybrid of the two. If you do merit raises, you should have a formal evaluation procedure that is administered fairly and uniformly across the agency. You cannot have "easy graders and hard graders." Another challenge is what to pay someone you have recruited from the outside. You may have to pay that person more than what others within your agency currently earn in order to close the deal. That may alienate your current staff.

According to Gordon, a good compensation policy involves the "art of administering dissatisfaction equitably." Happiness is not the goal; fairness and consistency are the goals. You have to have a rationale for administering salaries that will stand up to public scrutiny. Your Board of Directors can provide consultation about salaries, but salaries should be the responsibility of the Executive Director, senior staff, and your HR department. If you have a policy of posting jobs internally first, make sure that you do not give the impression that you favor internal candidates over external ones.

Next, communication to your staff is essential. Tell them early and often. Part of what should get communicated about compensation practices is probably in your Personnel Manual, which everyone should have a copy of. The message should be something like "This is how we give salary increases, but the organization reserves the right not to do it, depending on the economic situation." Be careful not to handcuff yourself with an overly rigid system - you need some flexibility. When setting or updating salary ranges, do a market survey of similar organizations locally and regionally. If raises are dependent on the financial health of the organization, make sure that this is clearly communicated to staff and then give people regular updates on how the agency is doing. Make it very explicit: here is how we are doing and here are the implications for staff raises.

Job Openings...

The NPFM group has a section on their website for job postings. Check out our website at www.npfm.org for a complete list of jobs. Contact David Richardson at dr44@verizon.net with questions or postings.

NPFM E-mail Forum

One of the benefits of membership in NPFM is a subscription to our e-mail listserv. We encourage members to post questions, announcements and new developments in finance and administration. All new members who provide e-mail addresses are automatically subscribed. To post messages send to npfm@topica.com

NPFM Steering Committee

The Steering Committee consists of several members who are responsible for the meeting topics, speakers, and other details surrounding the group. If you are interested in joining the steering committee, or in submitting ideas for future sessions, please contact any of the existing members, by e-mail or in person at a meeting.