

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 617-956-0215

Mark Your Calendars

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

- **September 27: The CFO's Role in Business Planning**
- **October 25: TBD**

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 \$20 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.

RSVPs 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: The CFO's Role in Business Planning

Date: September 27, 2011

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

Time: 12:00 PM – 1:30 PM

The CFO Role in Business Planning

When an organization is formed, when the organization has a new program idea, when an organization is on the rocks – these are all times that call for a new business plan. When is the financial person called upon to contribute and what exactly is expected of the financial role in the planning process? How do we reconcile the inevitable conflict between the divergent thinking of the program people with the convergent financial mind? Thomas A.

McLaughlin, MA, MBA, is a Principal in the Assurance Services Department at CCR, Certified Public Accountants and Business Advisors. Prior to joining CCR, Mr. McLaughlin served as an executive with two major Massachusetts social service agencies and as an Associate Director of the Massachusetts Council of Human Service providers. He specializes exclusively in not-for-profit consulting projects. Mr. McLaughlin is a nationally recognized expert in not-for-profit mergers and alliances, having consulted over 200 such collaborations. He is an expert in not-for-profit strategic positioning, business planning and restructuring.

Recap of June Meeting

The 2012 Federal Budget and its Impact on Massachusetts

Mary Tittmann, Policy Analyst, from the Mass Budget and Policy Center gave a presentation about the 2012 Federal Budget and its impact on the economy in Massachusetts. The Massachusetts Budget and Policy Center (Mass-

Budget) produces policy research, analysis, and data-driven recommendations focused on improving the lives of low- and middle-income people, strengthening the Massachusetts economy, and enhancing the quality of life in Massachusetts. MassBudget works towards government transparency and makes its research as accessible as possible.

Most of the upcoming changes or cuts in the Federal Budget will affect low and moderate income households and individuals. Congress is currently focusing on how to reduce the Federal deficit. Mary shared some statistics with the group about the Federal Budget. In FY 2010, The Federal Government took in \$2.162 trillion dollars in revenue, but spent \$3.456 trillion, resulting in an operating deficit in the amount of \$1.294 trillion. The deficits in FY 2009 and 2010 were mostly driven by the enactment of the TARP, the American Recovery Act (Stimulus), the wars in Iraq and Afghanistan, and the "Bush" tax cuts. Also, when unemployment increases, income tax revenue goes down. The sources of Federal Revenues are the following: Individual Income taxes 42%; Payroll Taxes 40%; Corporate Income Taxes 9%; other taxes 6%; and Excise Taxes 3%. Mary broke down Federal spending as follows: Social Security, Medicare and Medicaid 41%; Security Discretionary 24% (Defense, TSA, etc.); Non-Security Discretionary 15% (social services, educations, etc.); Other Mandatory Spending 14% (Food stamps, Unemployment Payments); and Interest on the National Debt 6%. The major driving force resulting in future deficits will be the cost of healthcare and interest payments on the national debt. To reduce future deficits, you need to control health care costs.

Currently, Congress is looking at ways to cut the Federal deficit. The House Republicans are targeting non-discretionary programs, which account for only 15% of Federal expenditures. The Ryan plan would cut \$2.9 trillion from Medicaid, Pell grants, food stamps, and low-income housing; and other program cuts would equal \$1.4 trillion over the next 10 years. It proposes to turn Medicaid into a block grant to be administered by the states. Others in Congress want to implement a global spending cap, a balanced budget amendment, or a debt/deficit cap. According to Mary, the deficit

would be cut almost in half if the President and Congress let the "Bush" tax cuts expire. One important question is: will an increase in revenue be part of the deficit reduction plan? The bottom line for Massachusetts is that Federal cost cutting will probably result in cuts in both entitlement and discretionary programs, which will have a larger impact on low and moderate income households.

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.