

# NonProfit Financial Managers

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

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## ***Mark Your Calendars***

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

- ◆ **April 24:** *12 Point Tax Check-Up*
- ◆ **May 29:** *What Auditors Look for*
- ◆ **June 26:** *Retirement Account Administration & Planning*

## ***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<sup>st</sup>, 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 617-547-9861, x235 for more information.

## ***The Next Meeting***

**Topic: 12 Point Tax Check-up**

**Date: Tuesday, April 24**

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

**Time: 12:00 PM – 1:30 PM**

The 12 Point Tax Check Up presentation is a general review of various tax compliance areas as well as how new tax developments may affect non-profit organizations. The presentation covers areas including New Charitable Contribution Rules, Employee & Fringe Benefit Plans, Unrelated Business Income, Protection Against Intermediate Sanctions, FIN 48, IRS's 2007 Business Plan, and the new items on Form 990.

Grant Thornton's Boston Not-for-Profit industry group, with 15 dedicated professionals, provides audit, tax, and business advisory services to not-for-profit organizations, including colleges and universities, independent private schools, special education, social and human service organizations, health care entities, religious organizations, associations, foundations and cultural organizations.

## ***Recap of February Meeting***

Joyce Kutz, CIC senior Vice President of USI New England, a well known national insurance agency, presented an overview of the importance of risk management analysis to minimizing your agency's exposure to safety-related threats and losses. John Canty, Senior Loss Consultant for the Massachusetts Bay Self Insurance Group (MBSIG, a self insurance worker's compensation group) spoke about work safety issues and how to promote a safe

working environment for your employees. Kathleen Meloon, Medical Case Consultant, from the MBSIG presented about how to work with employees who have worker compensation claims outstanding.

According to Joyce Kutz, risk management involves the identification of an organization's exposures to loss and the development of an ongoing process to deal with it. The steps in the risk management process are as follows:

- 1) Identify the risks
- 2) Analyze the risks and potential exposure to loss
- 3) Consider various alternatives to deal with the risks
- 4) Select the most appropriate and cost effective method for handling the risks
- 5) Implement that method or strategy
- 6) Modify your strategy as necessary over time

There are various risk management techniques that you can use as part of your agency's strategy to deal with these issues. First, there is avoidance of the risk altogether (e.g. don't provide transportation to clients). Second, you can retain some of the risk, through deductibles on an insurance policy; you save money on the premium, but assume some of the risk of loss. Third, you can transfer the risk to others. This is the purpose of buying insurance: you are transferring the risk of loss to the insurance company. Fourth, you can adopt a strict policy of loss prevention, and fifth, you can try to control the magnitude of the loss through a policy of loss control.

John Canty from the Mass. Bay Self Insurance Group presented about how a company can actively work to prevent losses through a comprehensive agency-wide safety program. Both the organization and the individual worker must buy into the concept of workplace safety; it is an attitude, it is proper education and prevention, and it is an on-going process. An active and participatory safety committee is very important to achieving effective loss prevention. Top management must buy into participating on the committee and into the process as a whole. An effective committee should be structured and have written policies and

procedures (for the committee and for organization-wide safety procedures). If it isn't written down, it doesn't really count.

Kathleen Meloon, who is a registered nurse and is from the same MBSIG, spoke about controlling your organization's losses once an incident or injury has occurred. Once an employee is injured on the job, you need to know what to do. The following are some steps that your agency should be prepared to take in the event of an on the job injury to an employee: administer emergency first aid and transport the person to a medical facility as necessary; report the incident immediately internally and to your worker's comp. insurer; investigate the accident; maintain contact with the injured employee while they are out of work; get the employee into vocational rehabilitation as necessary; and have the employee return to work as soon as medically allowed, at least for modified duty. The indirect costs of having an injured worker out of work are far greater than the direct costs.

In summary, you manage what you can to minimize your exposure to risk of loss. You should engage in a robust program of workplace safety, and insure for what you cannot prevent.

### ***Job Openings...***

The NPFM group has a section on their website for job postings. Check out our website at [www.npfm.org](http://www.npfm.org) for a complete list of jobs. Contact David Richardson at [dr44@verizon.net](mailto: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](mailto: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.