Nonprofit Financial Managers

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

Volume Eighteen, Number Seven April 2011

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:

- **April 26: Risk Management**
- **May 31: Effect of Federal/State budget decisions on nonprofits**

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.

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: Risk Management
Date: April 26, 2011
Location: United South End Settlements
566 Columbus Ave., Boston

Time: 12:00 PM – 1:30 PM

Risk Management

Have you ever received your insurance renewal package and wondered about whether the level or type of coverage was sufficient for your organization or if there might be better, more cost effective options? Has your broker suggested you obtain additional coverage or policies that caused you to wonder if you really needed the coverage, or were trying to find ways to reduce the cost of insurance? At the April meeting, Mark Klevanosky, CPCU of Albert Risk Management Consultants will join the meeting to provide an overview of the "base level" of coverage that every nonprofit organization should have, along with coverage levels and limits and what determines them; as well as other coverage that should be considered. Mark will also share some information about what to consider or look for in your insurance coverage and how you can get the greatest level of coverage under existing policies with some additional review of the policy. Such a review could offer options for eliminating or consolidating coverage, or simply to get the most out of what your policies currently offer.

Recap of March Meeting

HR DOs and Don'ts

Gordon Gottlieb, an HR expert from the Technical Development Corporation and frequent speaker at NPFM meetings, gave a presentation on ways to strengthen the human resource function at small to medium-sized nonprofit agencies. One of the major challenges for small nonprofits is that these agencies often do not have a dedicated human resource department or staff person. Gordon spoke about best practices for HR administration and about adopting a common sense approach to personnel issues.

The first topic that Gordon addressed was overtime. Some organizations have a policy of allowing no overtime. However, if a non-exempt employee works more than 40 hours in a week, you must pay overtime for the hours over 40, whether the overtime was authorized or not. If an employee continues to work overtime hours which are not authorized, then that becomes a disciplinary issue.

The second major issue for nonprofits is to properly classify a position as either exempt or nonexempt. The Fair Labor Standards Act governs the classification of whether an employee is exempt or nonexempt. Generally, exempt employees are those who are exempt from certain wage and hour laws, i.e. overtime pay; usually applies to administrative, executive, or professional employees who receive an annual salary, in equal payments, either weekly, bi-weekly, or at some other specified time interval. Also, mealtimes and time sleeping time are not counted as work hours for overtime. Make sure that job descriptions are up to date and accurate. Comp time cannot be used for nonexempt employees.

Third, develop guidelines for use of social media on the job. There should be no presumption of privacy for various forms of communication while at work; the employer has the right to monitor all work communications. This policy should be stated explicitly in the employee handbook. Any policy addressing the use of social media during work should define social media and then state the employer's position on the use of social media. Generally, it should be job-related.

Another action which will strengthen the HR function is to make sure that employees get feedback on their performance on a regular basis. Feedback should focus on performance objectives, not mistake or failures, and should address both positive performance as well as need for improvement. According to Gordon, one task that nonprofits do a poor job of is firing nonperforming or disruptive employees. They also tend not to do it often enough. You need to do it clearly, ethically, and transparently. Treat the staff member whom you are terminating with dignity and respect; that will go a long way toward avoiding controversy.

Take harassment allegations seriously. Listen, investigate, draw conclusions, take actions, and document. Work with HR or other managers to determine the best course of action and get back to the complainant to ensure that he or she is satisfied with what was done.

The final recommendation was to take the time to acknowledge the receipt of resumes and applications, even if you just do it by email. This simple act will generate goodwill that may serve your agency well in future recruitment efforts.

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.