



N|P|A
nonprofit advantage

A division of Greater Cleveland Neighborhood Centers Association

NCA Greater Cleveland
Neighborhood Centers
Association

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Nonprofit Organizations' Early Warning Tool



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This guide is intended for use by board members and senior managers of nonprofit organizations — from the very small to the very large.

The guide is a tool to help your organization start to ask important questions; it is only a starting point and not intended to be an exhaustive list. Not all of the questions may have obvious answers but this will help to stimulate discussions between staff and board volunteers.

To review your organization's status, use the last 12 month period. Be sure to involve members of the team who are able to collectively answer the questions.

The answers will help reassure everyone or will be a warning for further exploration and dialogue to continue to advance your organization.

Use the guide on a regular schedule to monitor progress.

Where to get help . . .

A critical friend

For nonprofits, Non Profit Advantage has a highly qualified team experienced in providing advice through various sectors of business. The NPA team provides a non-judgmental point of view and is able to direct you to other resources.

www.npadvantage.org
216.298.4440 ext. 12

Funders

Don't keep your funders in the dark — they can help you if you let them know your challenges. The sooner the better!

Suppliers

If you are experiencing cash flow difficulties, talk with your primary suppliers and your bankers; it can buy you time.

Professionals

Remember, professional help is available (usually at a cost) from your auditors, bankers and lawyers.



1. Are you receiving telephone calls from angry suppliers regarding unpaid bills?



Almost every day!

At least once a week :-)



Not often :-)

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2. Have we paid salaries using funds received for other purposes?



Yes often!

Rarely... only for a short time



Never...



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4. Are we current on our employee tax, insurance premiums and worker's compensation payments?

Not current...



Slightly behind...



Yes! current



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5. How often do we use our line of credit or overdraft protection?

Quite often!



Rarely... only for a short time



Never...

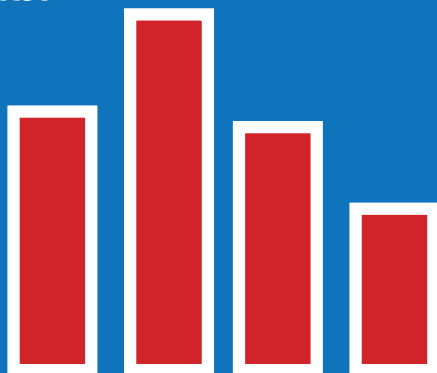


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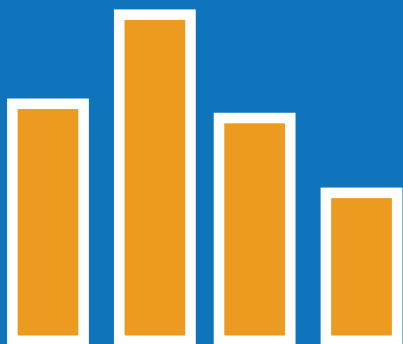
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6. How often are we presented with financial statements?

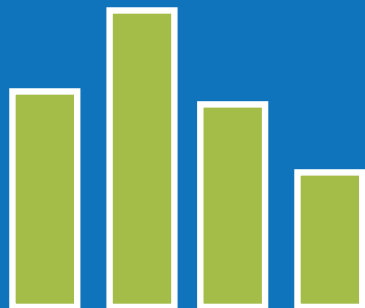
Never



Sometimes



Regularly



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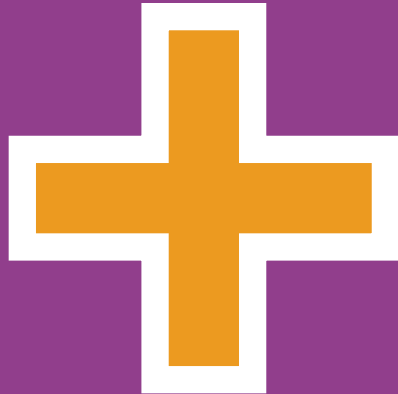
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7. Do all of the Board of Trustees and senior staff understand the financial figures presented?

Never



Sometimes

Yes, often



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8. What percentage of our income are we confident about receiving next year?

Not sure...



50% Commitments



100% Commitments

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9. What percentage of our total income comes from our two largest funders?

Close to 100%



Almost 50% of funds

Less than 30%



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10. Does our Board of Trustees have and contribute the range of business skills that are needed by our agency?



Lacks the necessary skills



Have some skills, contribute little



Yes, have skills and contributes often

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11. Is there a healthy mix of trust and challenge in the chair/executive relationship?



Never...



Rarely...



Yes, very much

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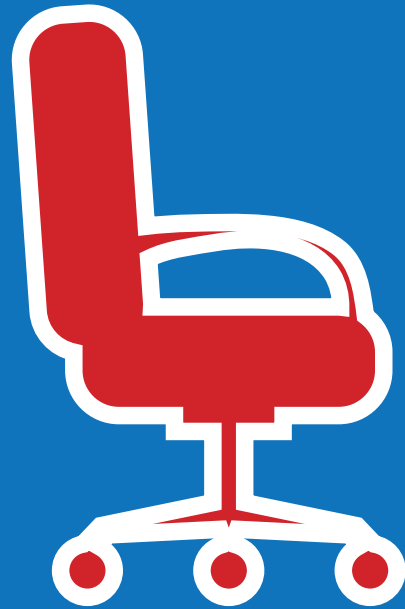
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12. Are the vacancies on the board filled quickly and strategically?

No, almost impossible



Work hard to attract the right people



Yes, candidates are eager to join

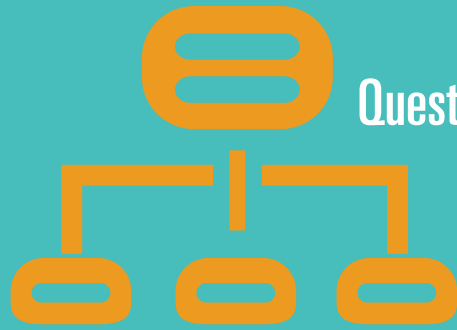
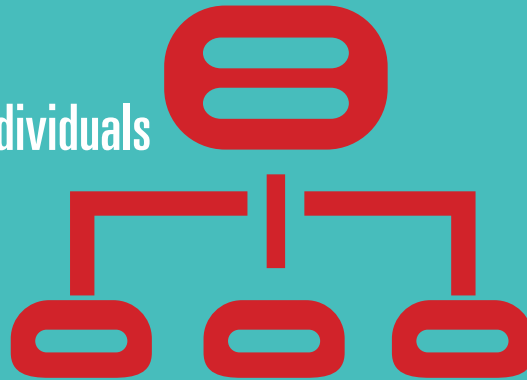


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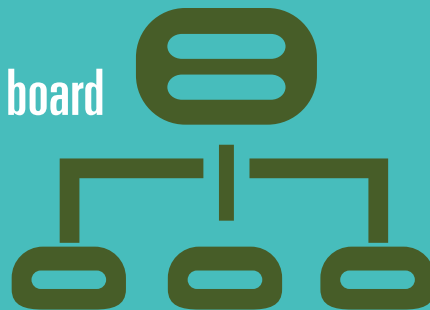
13. Do Board Members raise questions
and help resolve them?

Limited to one or two individuals



Questions are raised but not resolved

Yes, from most of our board



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14. When did we last review our organization's strategic plan and objectives?

More than two years ago



Within the last 12-24 months



Within the last 12 months



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16. What is the rate of staff turnover?



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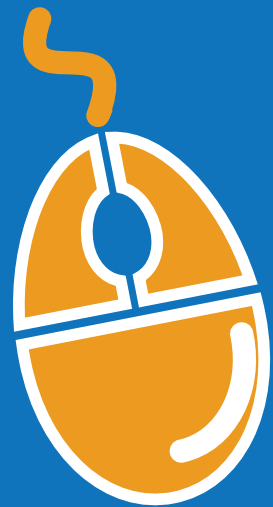
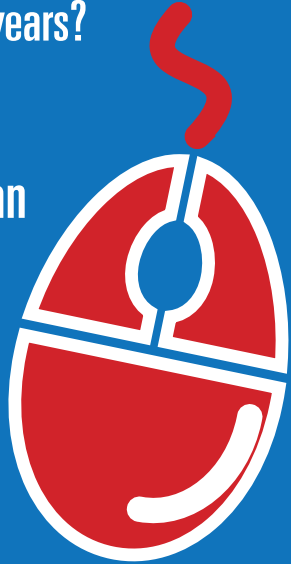
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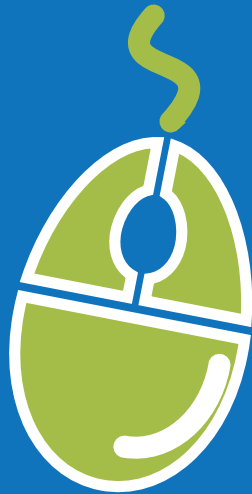
17. Does your organization have a current technology plan to guide the equipment, internet and social media needs over the next three years?

No technology plan



Technology plan is outdated

Technology plan is current to meet our needs!



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18. Do you assess your building/facility with a schedule of routine maintenance?

We continually have problems with our building and systems.



We address problems as they arise.



We perform routine maintenance to prevent problems.

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19. Does your agency receive local support from our community members?



Only a few know what we do

Participants value us — but not funders and the larger community



Yes, we receive lots of support from sectors across various communities

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Series of horizontal dotted lines for taking notes.

Summary of Actions

Number of Reds

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Number of Oranges

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Number of Greens

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*This guide is based upon the Locality Early Warning Guide produced by Locality, London, UK

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