APPENDIX LIST

A. Commission to Examine Nonprofit Human Services Organization Closures

B. Underpayment of Providers

C. Financial Reporting and Risk Assessment and Management

D. HSC Board of Directors & Members (2015 - 2016)

Human Services Council

A.1

A.1 – Financial Conditions Committee Charter and Committee Members

The Finance Committee is composed of chief executives, chief financial officers, auditors, and consultants representing a broad swath of the nonprofit community. The Committee's goal is to provide documentary evidence of financial practices across the sector and to make recommendations regarding the future of the relationship among government, philanthropy, and nonprofit agencies.

Co-chairs:

Philip Gartenberg, Fulcrum Associates
Hilda Polanco, Fiscal Management Associates (FMA)

Ron Acker, The Jewish Board
Heidi Aronin, Jewish Association Serving the Aging (JASA)
Adam Cole, BDO Nonprofit Team
Michele Cortese, Center for Family Representation
David Fazio, Volunteers of America – Greater New York
Jack Krauskopf, School of Public Affairs at City University of New York Baruch College
Gail Nayowith, 1digit LLC
Mitchell Netburn, Project Renewal
Jim Purcell, Council of Family and Child Caring Agencies
Frank Spain, Graham Windham
Amy West, AHRC New York City
Kathryn Wylde, Partnership for New York City

A.2

A.2 – Infrastructure Committee Charter and Committee Members

The Infrastructure Committee will examine the internal conditions, risk factors, and best/worst practices of nonprofits with respect to information technology, management information systems, and real estate.

Co-chairs:

John MacIntosh, SeaChange Capital Partners
Dianne Morales, Phipps Neighborhoods

Don Crocker, Support Center|Partnership in Philanthropy
Kenneth Dempsey, Catholic Charities Archdiocese of New York
Elizabeth Gaynes, Osborne Association
Wayne Ho, FPWA
Jeremy Kohomban, The Children's Village
Daniel Lehman, The Children's Aid Society
Danielle Moss Lee, YWCA of the City of New York
Andrés Satizábal, Harlem RBI
Michael B. Shaw, The Kresge Foundation
Robert Sherman, SCO Family of Services

A.3

A.3 – Leadership and Management Committee Charter and Committee Members

The Leadership and Management Committee functions to support leadership and management of human services nonprofits by (a) identifying what expertise, resources, and practices are limited, absent from, or not being maximized and (b) offering suggestions on how to build these capacities. The Committee will address the foregoing from a leadership, institutional, and cultural perspective.

Co-chairs:

Katie Leonberger, Community Resource Exchange
Michael Zisser, University Settlement Society of New York

Stu Cohen, Fiscal Management Associates
Jess Dannhauser, Graham Windham
Tova Klein, Selfhelp Community Services
Jeremy Kohomban, The Children's Village
Thomas Krever, Hetrick-Martin Institute
Traci Lester, LSA Family Health Service, Inc.
Christine McMahon, Fedcap Rehabilitation Services, Inc.
Bec Morse, Consultant
Gail Nayowith, 1digit LLC
Alison Overseth, Partnership for After School Education (PASE)
Tere Pettitt, Volunteers of America – Greater New York
Claire Rosenzweig, Better Business Bureau Serving Metropolitan New York
Stephan Russo, Goddard Riverside Community Center
Fred Shack, Urban Pathways
Bonnie Stone, Win
Patricia Swann, The New York Community Trust
Keith Timko, Support Center|Partnership in Philanthropy
Michelle Yanche, Good Shepherd Services

A.4

A.4 – Oversight Committee Charter and Committee Members

The Oversight Committee will develop recommendations for improving nonprofit oversight by examining the current nonprofit human services oversight framework—with a focus on boards, management, and compliance oversight—to identify gaps, redundancies, red flags, and best practices.

Co-chairs:

Julie Floch, EisnerAmper
Joanne Oplustil, CAMBA

Ian Benjamin, RSM US LLP
Zachary Blodgett, Esq., The Salvation Army – Greater New York Division
Kenneth Brezenoff, Fedcap Rehabilitation Services, Inc.
Ronna Brown, Philanthropy New York
Thad Calabrese, NYU Wagner Graduate School of Public Service
Phil Dorian, Catholic Charities Archdiocese of New York
Karen Geller, Selfhelp Community Services
Ellen Josem, The Jewish Board
Keith Little, Edwin Gould Services for Children and Families
Justin Nardilla, CAMBA
Yancy Rubén Garrido, The Clark Foundation
Anne Sherman, Social Impact Exchange/Growth Philanthropy Network
Ben Thomases, Queens Community House

A.5

A.5 – Relationship between Nonprofits and Government Funders Committee Charter and Committee Members

The Relationship between Nonprofits and Government Funders Committee will explore the relationship between service providers and government, including the nature of service contracts. Government funding comes with its own set of mandates, as well as agency practices and procedures that complicate financial oversight and create fiscal instability. Some areas to consider include: Late payments, performance based contracting, metrics, PEGS, program audits, reporting requirements, and agency practices that are siloed or redundant.

Co-chairs:

David Garza, Henry Street Settlement
Linda Manley, Lawyers Alliance for New York

Douglas Bauer, The Clark Foundation
Amy Cohen, Good Shepherd Services
Lynn Cole, Bloomberg LP
Joel Copperman, CASES
Tom Dambakly, CAMBA
Fred Davie, Union Theological Seminary in the City of New York
John Ertmann, The Salvation Army – Greater New York Division
Pat Goldstein, The Coalition of Behavioral Health Agencies
David Hansell, KPMG
Susan L. Jacobs, Center for Family Representation
Ken Jockers, Hudson Guild
Carol Kellermann, Citizens Budget Commission
Jack Krauskopf, School of Public Affairs at City University of New York Baruch College
Talia Lockspeiser, Catholic Charities Archdiocese of New York
Russell Lusak, Selfhelp Community Services
Rachel Miller, Public Health Solutions
Alan Mucatel, Leake and Watts
Kristin Morse, The Center for New York City Affairs at The New School
Doug O'Dell, SCO Family of Services
Robert Pignott, Phipps Neighborhoods
Eric Rosenbaum, Win
Phillip Saperia, The Coalition of Behavioral Health Agencies
Fred Shack, Urban Pathways
Anne Sherman, Social Impact Exchange / Growth Philanthropy Network
Marla Simpson, Brooklyn Community Services
Eileen Torres, Bronxworks
Tata Traore-Rogers, Turning Point Brooklyn
Michael Williams, Safe Horizon

Human Services Council

B.1

B.1 – Letter to the Donors of America (June 17, 2013)

Human Services Council

BBB Wise Giving Alliance

GUIDESTAR

CHARITY NAVIGATOR

B.1

THE OVERHEAD MYTH

To the Donors of America:

We write to correct a misconception about what matters when deciding which charity to support.

The percent of charity expenses that go to administrative and fundraising costs—commonly referred to as "overhead"—is a poor measure of a charity's performance.

We ask you to pay attention to other factors of nonprofit performance: transparency, governance, leadership, and results. For years, each of our organizations has been working to increase the depth and breadth of the information we provide to donors in these areas so as to provide a much fuller picture of a charity's performance.

That is not to say that overhead has no role in ensuring charity accountability. At the extremes the overhead ratio can offer insight: it can be a valid data point for rooting out fraud and poor financial management. In most cases, however, focusing on overhead without considering other critical dimensions of a charity's financial and organizational performance does more damage than good.

In fact, many charities should spend more on overhead. Overhead costs include important investments charities make to improve their work: investments in training, planning, evaluation, and internal systems—as well as their efforts to raise money so they can operate their programs. These expenses allow a charity to sustain itself (the way a family has to pay the electric bill) or to improve itself (the way a family might invest in college tuition).

When we focus solely or predominantly on overhead, we can create what the *Stanford Social Innovation Review* has called "The Nonprofit Starvation Cycle." We starve charities of the freedom they need to best serve the people and communities they are trying to serve.

If you don't believe us—America's three leading sources of information about charities, each used by millions of donors every year—see the back of this letter for research from other experts including Indiana University, the Urban Institute, the Bridgespan Group, and others that proves the point.

So when you are making your charitable giving decisions, please consider the whole picture. The people and communities served by charities don't need low overhead, they need high performance.

Thank you,

Art Taylor
President & CEO,
BBB Wise Giving Alliance
overheadmyth.give.org

Jacob Harold
President & CEO,
GuideStar
overheadmyth.guidestar.org

Ken Berger
President & CEO,
Charity Navigator
www.charitynavigator.org/thebestandworstwaytopickacharity

B.2

B.2 – Letter from Darryl W. Mayes, US Department of Health & Human Services (February 10, 2104)

Human Services Council

DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Services
Division of Cost Allocation

26 Federal Plaza, Room 41-122
New York, New York 10278
Phone: (212) 264-2069
Fax: (212) 264-5478
Email: dcany@psc.gov

February 10, 2014

Dear

A copy of an indirect cost rate agreement is being sent to you for signature. This agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for indirect costs on grants and contracts with the Federal Government.

Please have the agreement signed by an authorized representative of your organization and returned to me by email or fax, retaining the copy for your files. Our fax number is (212) 264-5478 and email address is dcahy@psc.gov. We will reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost proposal, together with the supporting information, is required to substantiate your claim for indirect costs under grants and contracts awarded by the Federal Government. Thus, your next proposal based on actual costs for the fiscal year ending 06/30/2015, is due in our office by 12/31/2015.

Sincerely,

Darryl W. Mayes
Deputy Director
Division of Cost Allocation

ORIGINAL

NONPROFIT RATE AGREEMENT

EIN:

ORGANIZATION:

DATE:02/10/2014

FILING REF.: The preceding agreement was dated 02/26/2013

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

SECTION I: INDIRECT COST RATES

RATE TYPES: FIXED FINAL PROV. (PROVISIONAL) PRED. (PREDETERMINED)

	EFFECTIVE PERIOD				
TYPE	FROM	TO	RATE(%)	LOCATION	APPLICABLE TO
PRED.	07/01/2014	06/30/2016	16.90	On-Site	All Programs
PROV.	07/01/2016	Until Amended	16.90	On-Site	All Programs

*BASE

Total direct costs excluding capital expenditures (buildings, individual items of equipment; alterations and renovations) and subawards.

B.3 – DHS Human Service Providers Annual Review Instructions (rev'd 4/14)

B.3

Human Services Council

130 East 59th St. New York, NY 10022 T: 212.836.1230 humanservicescouncil.org

AGENCY ADMINISTRATIVE OVERHEAD – DETAILS (8) AND EXPLANATION (8A)

This form must be completed for all annual reviews for which the budget includes agency overhead. It must also be completed for all Reports or Budget Modifications involving a change in overhead. For each item, indicate the total salary, FTEs or OTPS amount budgeted by the agency, the percentage charged to the DHS budget, and the dollars represented by that percentage. Note that the maximum allowable overhead chargeable to DHS' contract is 8.5%. The total dollars in Item III should be the same as the administrative overhead amount on the Budget Summary Form or the Budget Modification and Report Form. Also, on the explanation form, please note the methodology you used to compute the percent to charge to DHS.

For the annual review only, please also submit your most recent Certified Financial Statement and A-133 if applicable.

1. All providers must submit the most recent Certified Financial Statement, with the Statement of Functional Expenses. For hospital based programs, please also submit the ICR pages that correspond to the step-down cost for administration and clearly identify the appropriate columns.

2. The maximum allowable overhead on DHS' contracts is 8.5%; however, the Agency/Provider is required to support the percentage charged to DHS' budget. The Statement of Functional Expenses and/or the ICR are the standard tests that are used by DHS as follows:

* Indirect Cost (Management and General Cost)/Total Direct Program Cost = %. *

The percentage allowed by DHS must not exceed 8.5%. If the Statement of Functional Expenses does not support the percentage charged to DHS, the provider must submit other Supporting documentation for DHS' approval.

ATTACHMENT #9
MEDICAL BUDGET

This form must be completed for shelters with a medical component in their shelter budget. Itemize the medical budget, and include information in the following categories PS, OTPS, Revenue.

ATTACHMENT #10
REVENUE FORM

This form must be completed by providers reporting revenue in the FY 15 Annual Review to offset DHS expenses, by source of revenue. This revenue includes interest earned on DHS contracts. The total

B.4

B.4 – DYCD Letter (redacted) (September 20, 2013)

Human Services Council

NEW YORK CITY
DEPARTMENT OF YOUTH AND COMMUNITY DEVELOPMENT
SERVING NEW YORK CITY YOUTH, FAMILIES, AND COMMUNITIES
156 William Street
New York, New York 10038
Phone 212 442 6006 Fax 212 442 5998
TTY 212 442 5903 www.nyc.gov/dycd
JEANNE B. MULLGRAV
Commissioner

September 20, 2013

Dear

The Department of Youth and Community Development (DYCD), as part of its budget review process, has determined that the indirect cost rate for is 18.84%. This rate is based upon the most recent information submitted to DYCD. However, Department policy is to grant a maximum indirect cost rate of 10%. The 10% rate will be applied to all of your DYCD (WIA) contracts for the period of July 1, 2011 to June 30, 20012 and a provisional rate for the period of July 1, 2012 to June 30, 2014 is subject to the following requirements:

1. The provisional rate must be audited during the next comprehensive Agency Audit.

2. The recovery of administrative cost is limited to the percent of administrative cost in the approved contract.

3. The rate is applied to all direct salaries and fringes.

The provisional rate will remain in effect until your organization's final audit is received by DYCD and is reviewed and approved by Contract Agency Audit Unit. Additionally, the recovery of funds resulting from this approval of the indirect cost rate will be adjusted by any funds owed DYCD for any questioned costs still outstanding upon the closeout of your contract(s).

If you have any questions or comments, please contact Ms. Verena Richards at (212) 788-3747.

Sincerely,

Desmond Lewis

Desmond Lewis CPA
Deputy Director
Contract Agency Audit

cc: Justin Walter
Verena Richards
Maria Rubio

C.1

C.1 – Ten Issues Concerning Risk for Human Services Providers, Michael Zisser (December 2015)

Human Services Council

Ten Issues Concerning Risk for Nonprofit Human Services Providers

Michael Zisser, CEO, The Door and University Settlement

1. Few nonprofit human services executives have studied risk analysis.

Very few managers of nonprofit human services organizations have studied the concept of risk in any professional or educational context so this subject has remained primarily "self-taught." These issues could be taught, either in various graduate programs, on the job, or in some other forums. But it is not in our culture to always be asking, "What are all the things which could go wrong in any given decision or situation?"

Risk analysis could cover some or all of the following topics:

- the financial and program implications of performance based contracting where the full value of a contract can be achieved only under certain conditions, even if the contract obligates the provider to budget as if 100% funding will be received;
- lease obligations as a longitudinal risk with no audit requirement other than aggregate liability over time and with no requirement to document off-setting income sources to cover the lease obligation;
- potential for Medicaid or other third-party payments or reimbursements at less than 100% of submittals for various legitimate or other reasons;
- failure to set up in the fiscal record keeping system a set of "funded" liabilities to cover likely or projected losses or obligations, including but not limited to Medicaid non-payments, accrued vacation, possible anticipated or unanticipated layoff or severance packages, retirement packages for senior executives, etc.;
- facility or maintenance emergency issues, or possibly known facility expenses not covered by current income;
- pay down of interest on use of a line of credit; etc.

2. Nonprofit organizations sign on to contacts irrespective of the potential risks

Nonprofit organizations sign on to contracts irrespective of the potential risks because they have to, are tempted, want to grow, think they are mission related, don't care if they are or are not mission related, are pressed by Boards or leaders or some other interested stakeholder, or fear for their survival and future standing in a competitive environment. Careful analysis of the rationale for signing contracts is rare. Most contracts are non-negotiable and many lawyers would probably advise nonprofits against signing any government contract . . . except that we have no choice. NO contract in our sector is created between equals; very few are designed to be fully loaded as to cost reimbursement. Such is the reality of our sector. Or, to paraphrase Oscar Wilde, we can resist anything but temptation.

3. Responsibility for understanding risks is unclear.

It is not clear who within an organization needs to understand risk analysis in its various forms. Which staff should be knowledgeable or responsible? Is it built in to an organizational culture? Do Boards understand the differences and similarities of risk in the for-profit and nonprofit worlds (or, even, in personal lives)? There are no direct questions regarding risk which are asked in ANY of the legal documents which nonprofits are obligated to complete, nor are they part of most strategic plans. At the least, top staff leadership (fiscal, administrative, and program) must know something, as should selected Board members. Audit firms can be asked to provide this service. Most strategic planning firms, even the expensive ones, are not, in my opinion, especially helpful here except in a formula-driven way. But nothing here is especially challenging.

4. *Being risk averse can be counterproductive.*

There is nothing worse in our world than a risk averse organization, or risk averse staff, or risk averse Board leadership. There is nothing better than an organization or leadership reasonably well prepared to manage risk when it occurs. (Note: Reminder, very few leaders understand risk in making key decisions, and most Boards do not have the sophistication to consider risk in key areas of concern. Lawyers on Boards do not help since they are uniformly risk averse.).

5. *Little or no funding is available to take on risk.*

Little or no venture capital funding is available in our sector to take even modest risks. The few exceptions are small scale or too expensive to access. We have no nonprofit versions of private equity firms or investment banks. Most nonprofits are severally under-capitalized, which means that taking risks is very risky, even if necessary.

6. *Reserve or endowment funds are generally not available for entrepreneurial efforts.*

Endowments or reserve funds, where they exist, are primarily targeted to supporting on-going operations as common practice, a risky concept in itself, and not supportive of an entrepreneurial enterprise. Boards may, in fact, be criticized if they engage in risky ventures and actually lose resources, which should be considered a possible outcome.

7. *Protecting against internal fraud is challenging.*

There is no real way to protect against internal fraud (a key risk category) other than strict internal controls and these are always vulnerable. Insurance is one answer, but many nonprofits are probably either under-insured or are missing certain types of coverage.

8. *Protecting against the incompetent, dangerous and dishonest is almost impossible.*

There is NO way to protect an organization from the risk of incompetent, dangerous, dishonest, or even nice people who can hurt the organization in ways hard to imagine. And, unfortunately, it is too often part of our culture to be hesitant in removing, criticizing, or correcting such people.

9. *Nonprofit leaders are not praised or rewarded for taking on or resolving risk situations.*

Denial of the possibility or existence of risk is pervasive and, at some point, not resolvable. Leaders are not praised or rewarded for taking on or resolving risk situations (unless they're in the private sector).

10. *Protecting reputation is critical*.

Reputational risk is, for most of us, the scariest issue. A good reputation can take years to build and seconds to lose.

C.2

C.2 – Standards of Excellence in Nonprofit Financial Management, Fiscal Management Associates (FMA) (December 2015)

Human Services Council

130 East 59th St. New York, NY 10022 T: 212.836.1230 humanservicescouncil.org

Standards of Excellence in Nonprofit Financial Management

Outcome: Informed Strategic Financial Decision-Making

	Risk Management:	Financial Planning:	Financial Monitoring:	Contract & Grants Management:	Finance Operations:	Governance:
STANDARDS	Organizations establish and implement processes for assessing and mitigating financial risks.	Organizations plan based on relevant data and historical performance, while maintaining a strategic look to the future.	Organizations monitor financial results promptly, based on reliable and relevant reports which form the basis for overall team decision making.	Organizations have the tools and capacity to effectively evaluate current and new funding opportunities.	Organizations operate efficiently with the appropriate fiscal staffing structure, internal controls, accounting software, and workflow systems.	The Board of Directors provides oversight of the organization's financial operations and ensures transparent disclosure of information.
INDICATORS	○ The organization has a process for identifying and quantifying the financial impact of changes in the operating environment (ex. new legislative requirements). ○ Policies are in place for assessing strategies for revenue diversification and building sufficient reserves. ○ The organization regularly analyzes staff salaries and benefits to inform strategies for staff retention. ○ The organization is aware of and addresses risks associated with the security of technology systems used to process and maintain financial data. ○ A risk committee comprised of the appropriate staff and board members is in place.	○ Key organizational decision-makers (including Executive Director, Finance Director/ CFO, Development Director, Program Directors, and other senior management personnel) participate in the budget development process. ○ The budget development process incorporates relevant historical financial data and reflects the organization's goals for carrying out its mission. ○ Budgets are developed at relevant levels (i.e. consolidated, program, contract) for organization financial monitoring. ○ Cash flow monitoring instruments that project 6-12 months of cash resources and needs are developed and continuously updated. ○ Processes for completing and reviewing annual budget modifications are implemented regularly.	○ Reliable financial reports are produced and distributed to senior staff on a monthly basis (see attached for report details). ○ Relevant analytical tools (including financial and nonfinancial reports) are used by the organization's leadership team in reaching financial decisions. ○ Orientation program for management staff includes training on usage of financial reports, as well as role in monitoring and communicating on financial performance. ○ Customer service orientation of the Finance office includes an appropriate level of accountability, responsiveness, timeliness, and the ability to explain financial data.	○ Leadership understands the financial and mission impact of each contract and grant and uses this to inform key decisions. ○ The organization has processes and frameworks in place for assessing the financial and administrative requirements of securing new funding and/or scaling back existing funding and programming. ○ The organization maintains a cost allocation methodology that aligns with service needs and funder requirements. ○ Policies are in place to ensure timely contract billing and sufficient spending of contract funds within the contract timeframe. ○ The organization has structures and practices in place to ensure compliance with funder guidelines.	○ An appropriate staffing plan and reporting structure is in place, based on the organization's size and complexity. ○ Finance staff members have the skill sets required to fulfill their responsibilities and/or individual professional development plans to increase their skills to the necessary levels. ○ The structure of individual fiscal staff roles and responsibilities outlines an appropriate segregation of financial duties to provide for internal control. ○ An appropriately configured accounting software is used to produce financial reports and monitor budgets. ○ Workflow is designed to maximize efficiency of financial transaction processing, leveraging technology and automation opportunities where possible.	○ The Board receives and reviews a financial reporting package quarterly at a minimum (see attached for reporting package details) ○ The Board sets the organization's strategic financial direction, including understanding full costs of programming, planning for capital needs, and establishing operating reserves. ○ The Board hires the independent audit firm and oversees the audit process, including evaluating and responding to auditors' management letter comments. ○ The Board acts as the steward of the organization's internal control structure and assesses and manages operational risk. ○ A structure is in place to approve and communicate financial information both internally and externally, including the annual audit. ○ The Board includes separate committees for Finance and Audit oversight with processes and charters in place for recording minutes, making key decisions and ensuring compliance.

Adapted from the Strengthening Financial Management Initiative, funded by The Wallace Foundation and delivered by Fiscal Management Associates, LLC
For tools to support nonprofits' efforts to meet these standards, visit StrongNonprofits.org

Standards for Nonprofit Financial Reporting

Monthly Reports – For Executive/Senior Staff	Quarterly Reports – For the Board of Directors and Senior Staff
1) **Monthly Executive Liquidity Reports** that include the following Key Performance Indicators: a) Unrestricted Cash and Cash Equivalents on Hand b) Days Cash on Hand with Available Line of Credit c) Accounts Payable Days Outstanding d) Accounts Receivable Days Outstanding e) Quick Ratio 2) **Supporting Reports** that include the following: a) Cash Flow projections that include and specify line of credit usage b) Accounts Payable aging report c) Accounts Receivable aging report 3) **Other Reports:** a) Budget-to-actual reports for the organization b) Budget-to-actual reports for each program *Note: Reports should be published within 20 business days of the monthly close*	1) **Management Narrative/CEO-ED report** 2) **Performance Dashboard** based on Key Performance Indicators (KPIs) 3) **Supporting Reports** that include the following: a) Statement of Financial Position (Balance Sheet) i) Summary of Accounts Payable aging status ii) Summary Accounts Receivable aging status b) Cash Flow projections that include and specify line of credit usage c) Budget-to-actual reports for the organization d) Budget-to-actual reports for each program *Note: If in place, an active Finance Committee should review detailed reports prior to board meeting and present highlights to the full board in the meeting.*

C.3

C.3 – Standards for Nonprofit Financial Reports (December 2015)

Nonprofit Financial Stability KPI Recommendations

Indicator	Type	Based on Publically Available Data?	Benchmark Against Other Organizations?	Benchmark/ Indicator	Driving Issue	Formula	Notes
Unrestricted Cash and Cash Equivalents on Hand	Financial	No	Yes, through peer surveys	1-3 months	Liquidity	(Unrestricted Cash & Cash Equivalents)/((Total Operating Expense - Depreciation and Amortization and Bad Debt)/365)	
Days Cash on Hand with Available Line of Credit	Financial	Yes	Yes	1-3 months	Liquidity	(Unrestricted Cash & Cash Equivalents&Available Line of Credit)/((Total Operating Expense - Depreciation and Amortization and Bad Debt)/365)	Exclude endowment/investments
Operating Cash Flow Margin	Financial	Yes	Yes	Positive over majority of time	Liquidity and performance	(Total Operating Revenue- Total Operating Expenses)+ Depreciation+Interest)/Total Operating Revenue	
Accounts Payable Days Outstanding	Financial	No	Yes, through peer surveys	60 days	Liquidity	Accounts Payable/(Total Expenses net of non-cash expenses)/(Days in Year Up to Fiscal Report Date)	
Accounts Receivable Days Outstanding	Financial	No	Yes, through peer surveys	60 days	Liquidity and appropriate financial oversight	Accounts Receivable/(Government Revenue/365)	
Quick Ratio	Financial	Yes	Yes	2:1	Liquidity and performance	Cash+Investments+Gov Receivables+Other Receivables / Total Current Liabilities	
Planned Capital Expenditures vs. Capital Cash Outlays to Date	Financial	No	No, internal benchmarking only	n/a			
Months of Liquid Unrestricted Net Assets (LUNA)	Financial	Yes	Yes	3-6 month threshold	Long term stability	(Unrestricted Net Assets- (Fixed Assets-Mortgages))/Average Monthly Expenses	
Excess Operating Revenue over Operating Expenses	Financial	Yes	Yes	benchmark - positive over time	Liquidity and performance	DSRIP = Total Operating Revenue - Total Operating Expenses HSDP = Total Revenue and Support	
Government Funding as a Percentage of Revenue	Financial	Yes	Yes	If over 50%, ensure proper systems in place; over 90% flag for further review	Risk management	Government Support/ (Operating and Non-Operating Income)	Over 90% speaks to financial stability

Nonprofit Financial Stability KPI Recommendations

Indicator	Type	Based on Publically Available Data?	Benchmark Against Other Organizations?	Benchmark/ Indicator	Driving Issue	Formula	Notes
Cost Per Dollar Raised	Financial	No	Yes, through peer surveys	$.35/$1 (BBB Benchmark)	Efficiency	Fundraising Expense/Public Support	
Management and General as a Percentage of Expense	Financial	Yes	Yes	At least 15% (Executive Order 38)	Performance and regulatory	M & G Expense / Total Expense	Excluding fundraising
Liabilities Related to Employee Benefits (vacation, sick, severance, deferred compensation)	Financial	No	Yes, through peer surveys				No metric, but orgs need to be aware of and monitor separately from other liabilities
Square Footage per Person	Financial	No	Yes, through peer surveys	2015 National Average: Large (20+ FTE) = 314; Small (<20 FTE) = 479 (Source: CBRE Annual Nonprofit Real Estate Benchmarking Survey)			
Contract % Recognized vs. Budgeted and/or Actual Service Levels as a Percentage of Approved Levels	Program	No	Yes, through peer surveys	Relative to planned performance			
Staff Turnover Rate	Program	No	Yes, through peer surveys	Should be compared to peers in the sector	Inefficiencies, morale, more funds needed to recruit and train new staff	Staff Separations / Budgeted Headcount	
Vacancies as a % of Total Positions	Program	No	Yes, through peer surveys	Should be compared to peers in the sector			
Profit and Loss by Program	Financial	No	No, internal benchmarking only		Identifies those programs operating at a loss	Revenue less expense by program	
Overtime as a Percentage of Total Expense	Financial	No	Yes, through peer surveys	Should be compared to peers in the sector	Inefficiency - measures an organization's ability to contain a significant controllable cost	Overtime/Total Expense	
Benefits as a % of Salary	Financial	No	Yes, through peer surveys	25-30%			

D.1

D.1 – HSC Board of Directors (2015 - 2016)

HSC Human Services Council

D.1

D.1 – HSC Board of Directors (2015 - 2016) - cont'd

Phillip Saperia, The Coalition of Behavioral Health Agencies, Inc.
Robert Schachter, National Association of Social Workers – NYC Chapter
Frederick Shack, Urban Pathways, Inc.*
Marla Simpson, Brooklyn Community Services*
Susan Stamler, United Neighborhood Houses
Msgr. Kevin Sullivan, Catholic Charities of the Archdiocese of New York*
Eileen Torres, BronxWorks
Bobby Watts, Care for the Homeless
Philip Weinberg, STRIVE
Judy Zangwill, Sunnyside Community Services
Michael H. Zisser, University Settlement Society of New York*
Ariel Zwang, Safe Horizon

*Members of HSC Executive Committee

Human Services Council

D.2

D.2 – HSC Members (2015 - 2016)

AARP New York
American Italian Cancer Foundation
American Red Cross in Greater New York
Asian American Federation
Association for a Better New York
Baltic Street AEH, Inc.
Barrier Free Living
Black Agency Executives
Black Veterans for Social Justice, Inc.
Bronx Jewish Community Council
BronxWorks, Inc.
Brooklyn Community Services
Brooklyn Kindergarten Society
Business Outreach Center Network, Inc.
CAMBA
Career Gear
Care for the Homeless
CASES
Catholic Charities Brooklyn and Queens
Catholic Charities Community Services, Archdiocese of New York
Catholic Charities of the Archdiocese of New York
Center Against Domestic Violence
Center for Children's Initiatives
Center for Family Representation, Inc.
Center for Independence of the Disabled in New York
Center for Urban Community Services, Inc.
Child Development Support Corporation
Children's Defense Fund-New York
Child Welfare Organizing Project, Inc.
Citizens' Committee for Children of New York, Inc.
City Harvest
Coalition for Asian American Children and Families
Community Access, Inc.
Community Agency for Senior Citizens, Inc.
Community Health Care Association of New York State
Community Resource Exchange
Comunilife, Inc.
Council of Family and Child Caring Agencies
Counseling Service of Eastern District New York

D.2 – HSC Members (2015 - 2016) - cont'd

Day Care Council of New York, Inc.
Diaspora Community Services, Inc.
Downtown Brooklyn Partnership
Drug Policy Alliance
East Side House
Education and Research Foundation of the Better Business Bureau of Metropolitan New York
Edwin Gould Services for Children & Families
Encore Community Services
Espoir Youth Program, Inc.
ExpandedED Schools
Families on the Move of New York City, Inc.
Family Focus Adoption Services
FDNY Foundation
Fedcap Rehabilitation Services
Federation of Protestant Welfare Agencies
Good Shepherd Services
Goodwill Industries of Greater New York and Northern New Jersey, Inc.
Graham Windham
Grand Street Settlement
HANAC
Harlem Grown
Harlem RBI
Heights and Hills
HELP USA
Henry Street Settlement
Hetrick-Martin Institute
Hispanic Federation, Inc.
Homeless Services United
Hudson Guild
Hunger Free America
Institute for the Puerto Rican/Hispanic Elderly, Inc.
InterAgency Council of Developmental Disabilities Agencies, Inc.
Inwood House
Jewish Association Serving the Aging
Jewish Child Care Association of New York
Jewish Community Council of Greater Coney Island
Jewish Community Relations Council of New York, Inc.
Lantern Community Services

D.2 – HSC Members (2015 - 2016) - cont'd

Lawyers Alliance for New York
Leake and Watts Services
Legal Action Center
Legal Information for Families Today
LIFT - New York
Lighthouse Guild
LiveOn NY
Lower East Side Family Union
LSA Family Health Service, Inc.
Madison Square Boys & Girls Club, Inc.
Mental Health Providers of Western Queens, Inc.
MercyFirst
Metropolitan Council on Jewish Poverty
Midwood Development Corporation
Morningside Retirement and Health Services, Inc.
National Association of Social Workers, NYC Chapter
Nazareth Housing, Inc.
Neighborhood Family Services Coalition
New Alternatives for Children
New York Asian Women's Center
New York Cares, Inc.
New York City Employment and Training Coalition
New York City Mission Society
New York Disaster Interfaith Services
New Yorkers for Fiscal Fairness
New York Families for Autistic Children, Inc.
New York Foundling
New York Immigration Coalition
Nonprofit Coordinating Committee of New York
Nonprofit Finance Fund
Nontraditional Employment for Women
Northern Manhattan Improvement Corporation
Partnership for Afterschool Education
Partnership with Children
Phipps Neighborhoods
Phoenix House
Project FIND / Find Aid for the Aged, Inc.
Project Hospitality, Inc.
Project Renewal

D.2 – HSC Members (2015 - 2016) - cont'd

Public Health Solutions
Queens Community House
Safe Horizon
SCO Family of Services
Seamen's Society for Children and Families
Search and Care, Inc.
Seedco
Selfhelp Community Services
Sheltering Arms Children and Family Services
Sky Light Center
St. John's Place Family Center, HDFC
Stanley M. Isaacs Neighborhhood Center, Inc.
Staten Island Community Services Friendship Club, Inc.
Staten Island NFP Association, Inc.
STRIVE
Sunnyside Community Services
Support Center | Partnership in Philanthropy
Supportive Housing Network of New York
The Actors Fund
The Alliance of New York State YMCAs, Inc
The Arab-American Family Support Center
The Bridge
The Carter Burden Center for the Aging, Inc.
The Children's Aid Society
The Children's Village
The Coalition of Behavioral Health Agencies, Inc.
The Committee for Hispanic Children and Families, Inc.
The Dennelisse Corporation
The Hebrew Educational Society
The Jewish Board
The New York Academy of Medicine
The Osborne Association
The Salvation Army
Turning Point Brooklyn
UJA-Federation of New York
United Neighborhood Houses of New York
University Settlement Society of New York
Urban Pathways, Inc.
Urban Resource Institute

D.2 – HSC Members (2015 - 2016) - cont'd

Varied Internship Program
Vera Institute of Justice, Inc.
Visiting Neighbors
Voices of Community Activist and Leaders
Volunteers of America - Greater New York
West End Residences HDFC, Inc.
William Hodson Community Center, Inc.
Win
YMCA of Greater New York
You Gotta Believe!
YWCA of Brooklyn
YWCA of the City of New York

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Mitchell Netburn, Project Renewal
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Patricia Swann, The New York Community Trust
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Human Services Council