**Ruth McCambridge:** Hi, this is Ruth McCambridge. And welcome to all of you who are attending today. We're so glad to be here with you. I'm actually one of the founders of Nonprofit Financial Commons. And the questions that you saw up on the screen before we started here today are questions from you. It's really four or five among hundreds that we received in advance of this webinar, to kind of inform what it was that we wanted to talk to you about because we want to make sure, as closely as possible, that we answer your questions.

**Ruth:** We also generally choose our topics, like this one today, very much from what you’ve expressed interest in. You'll meet the keeper of that topic list later; one of our moderators, Dana, she keeps very close tabs on what topics you guys want us to cover. But this one has actually been around since almost the beginning of when we started, because we started in 2020, and one of the comments that we got a lot from nonprofits during that period was, “Oh my god, we just did in three weeks the remote automation that would have taken us two years to implement before.” So, this was a job that people started very much out of necessity in 2020, during the pandemic, when things absolutely had to go remote. But there were not only things left undone in those processes — as people said to us, we need to finish this — but there were also advances in technology, even since 2020, that we want to be able to take advantage of, and really fine-tune this, so that we get the most that we can out of the automation process.

**Ruth:** So, I want to, before I go on beyond this, I want to say that our webinar sponsor today is Bill.com. And this is a very funny — it's not funny, it’s a great, serendipitous thing — because as we were talking to some of the presenters today, they had multiple references to Bill.com. And so, I want to say that the way bill.com advertises themselves is that they're a leading financial operations platform for small to midsized businesses and nonprofits. They have a special emphasis on automating your system so you can thrive. They help nonprofits control their payables and receivables, spending requests, and expense management. You can contact them, as most people know, through Bill.com. Thank you very much to Bill.com for that today.

**Ruth:** Going on to the next slide. I want to introduce you to some of the people that will be presenting today. Dana Britto: as I said, the keeper of our list. And so, if you ever wanted to get to her independently, feel free, as well as any of the other moderators. Mark Hager, who is our other moderator, you'll see them later on in this process. They're going to be interviewing and taking your questions. Which reminds me that the chat is where you should put all of your questions. Anything that's occurring to you during the webinar, you can just put your questions in there right away. They're going to be collected by the moderators. And the other thing that we do really encourage you to do is, if you can answer somebody else's question that has been posed, please do so. You guys are the experts. You're the ones that are in the trenches in the middle of all of this. And so, we want to encourage you to help each other out. And if you have the answer to somebody else's question, go ahead and answer it.

**Ruth:** Going on to the next slide, our presenters today are Gina McDonald, who you may have seen before on some of our other webinars. She's with BDO; she's a managing director of Nonprofit and Grantmaker Advisory. (Is that right?) And Dominique Jones, the executive director of Global Kids, which is a fabulous organization in New York City, and Young Sook Na, who is her vice president of finance — of Global Kids as well.

**Ruth:** I think what we're gonna do now is…yes. Today's session: I'm not going to read this out, but we're going to go very quickly through trends and options for automation. Then, we're going to look carefully at the case study of one organization, which is extremely complicated, and their automation attention had to wrap around the organization in some ways, in terms of their finances. So that's going to be an interesting case discussion. And then we'll do the implementation and the wrap-up. Again, ask questions anytime during this session and we will try to get to them — either today or at some later point.

**Ruth:** Let's go on to the polls now. We just want to get a sense of who's in the room today. So I'm gonna ask you to go ahead and answer this question here: Question number one, which is about the size of your budget. Anytime you're ready, Amanda.

**Amanda Nelson:** Yep, we have a few more answers coming in. Okay.

**Ruth:** Oh, so, look at that. This is a higher, proportion of people between 1 million and 5 million than we usually get, which is pretty much not a surprise. That's where I would figure we would have the most need right now, for a number of reasons. Complexity begins getting a little overwhelming at that point, and figuring out how to do the automation as things get more complex becomes more complex. Would you agree with that, Gina?

**Gina McDonald:** Yeah.

**Ruth:** Yeah. Okay, going on to question number 2. What kind of organization are you? What's your mission area? […] Anytime you're ready, Amanda.

**Ruth:** Okay, see, this makes sense also. I have to say that social services, because you very often have multiple contracts and a lot of tracking of information, and time, and other kinds of financially related things — this makes really good sense, that we would have this many of people from social services.

**Ruth:** Let's go on to the next one, and the next one is much more specific to what software solutions are you right now considering for use at your organization. […]

**Amanda:** Okay, we can launch the poll now.

**Ruth:** Well, there you go. So, I don't know if this kind of adheres to your expectations, Gina, but, it's really useful for us presenting to you because it gives us a sense of what you're on the cusp of, and where we have to pay most attention. I want to again thank you so much for being here, and hand this over at this point to Gina.

**Gina:** Great. Thanks, Ruth. And hey, everybody. As Ruth mentioned, we're gonna start with talking about some trends for a couple of minutes. Now that we've heard what we have in common, in terms of poll responses from folks with us today, what's happening more broadly out there? So, we're going to hear what others in the nonprofit world are saying about automation. We're going to start with getting into the “why” relative to software and automation. Why do we all want to do this? What is the benefit? So, we're going to take a quick — maybe less than 10 minutes — and set some context for us around that.

**Gina:** What we're looking at right now is results of a broader survey of nonprofit organizations answering the question [of] why they are planning to select a new ERP, with ERP standing for Enterprise Resource Planning system. Enterprise resource planning really relates to software that we use to run our entire organization — so, software that supports finance, HR, or other significant processes. Organizations responded in this way, indicating most of us are trying to find tools that are easy to use. So, really simple kind of response. And even if we look down this list, a lot of these other responses, the rationale for why we want to choose new software, really also supports that ease of use.

**Gina:** Folks want to increase automation. We want enhanced functionality. If we kind of look at this list, there's nothing here that's probably surprising to us and kind of makes us feel like, yes, this resonates. We want this capability, and we want it to be easy to use as well. Now, when we think about the technology that we're talking about, and we're here to talk about automation today, that technology is going to live within our operating environments. It's going to really interact with our internal environment with our people, our culture, in our organizations, and also is going to have interaction with our external environment. So here we're sharing some nonprofit sector trends in that regard, right? So really talking about what's happening in the environment. And we want to call out a few themes that summarize what is happening broadly.

**Gina:** So we're seeing organizations really experiencing changes in their operating model. So, changes in how we're delivering services, right, or maybe changes in how we're receiving reimbursements, or collecting revenue, things of that nature. I also want to call out this evolving compliance landscape. So, more compliance, things of that nature. And also this… I guess I'll kind of translate this into being “this increased focus on data or information,” for us to understand things like our costs in a variety of ways.

**Gina:** And so, when we think about what we just saw, in terms of wanting technology and systems to be easy to use, getting information, things of that nature, and then combine it with this operating environment, we can really see how that technology is really going to help us to be taking on what we're seeing here in the future.

**Gina:** So, if we're trying to evolve operations, we're trying to operate in this new environment, we know that we need infrastructure to do that. We need infrastructure to assess these areas. And operating infrastructure for any function — finance and any other function — is always made up of these three components, and they all work together. We always need the people in the teams, right? So, we need the folks who are doing this work. Of course, we see their tools and technology represented here, but then also the process in the workflow. Sometimes we hear it described as “people, process, and tools,” but however we describe it, we always need these three components working together. They're all interrelated, and before we actually talk about the technology piece a little bit more, I really want to bring in this conversation around the people in the workflow as well.

**Gina:** From a people perspective, we want to remind ourselves that finance and financial management is a team sport. It's really thinking about that everyone in the organization participates in finance in some way. Everyone in the organization is affected by finance in some way. You know, we could have program managers who have budgets that they're managing to. Folks have expense reports. Maybe everybody has a timesheet, things of that nature. And so, there are just a whole host of ways folks are interacting with finance. If we focus on the center here, and really think about, when we say “finance lead staff member,” really what's inherent in that little center “finance person” or “finance team” is actually three separate levels of financial management. Regardless as to an organization’s size, all organizations need some amount of each of these three levels of financial management.

**Gina:** So, just take a minute here and remind ourselves, what are the three levels of financial management? And then also tie that into, why are we talking about this in an automation conversation? If we start on the left-hand side, we see strategic financial management. That's really talking about having the strategy inform the finances. Really bringing that lens in terms of the strategic vision to our financial planning, budgeting, and our monitoring conversations. Managerial… is really thinking about things like the integrity of the numbers in the general ledger, reporting, monthly close, things of that nature.

**Gina:** Transactional financial management is really the day to day. So that's going to be processing bills, paying bills, getting things into accounts payable, making deposits. You know, processing payroll, that's the transactional. We need a little bit of all of this. When we think about the way we may spend time, and the way we're spending time in particular when we do not have automation or when our processes are very manual, we might spend time in this way, where we have lots of time — or the most time — spent in processing transactions, in transactional, less time in managerial, and the least time, sometimes no time, in strategic. If folks are short on time, or if processes are ineffective, for sure, strategic is the first to go, right, because we need to process transactions to really manage the day to day. What we want to try to do with efficiency and automation is really flip this. Wouldn't it be amazing to spend less time in transactional, the amount of time we need in managerial, and it seems like a dream to spend more time thinking about strategy around finance.

**Gina:** So then really to drive home and tie in our technology component, we do want to highlight the reality of why we do often spend so much time in that world of transactional. So really here, this is just to urge folks to think about all of the places where your data lives. And this is just a really small map that has, maybe, your general ledger in the center. And maybe just imagine, well, where else is all of my data besides the general ledger? Do I have some other system where I'm paying bills, or maybe I have a fixed asset ledger that's in a Google sheet, or maybe these are databases? But ultimately, we have data in different places, so it's really thinking about, how does it get into all those other places, and how does it make its way into the general ledger? So this is where we start to map out, what does it look like for us today? Also, what does it take to create a financial report? This is really when we start to think about what it looks like.

**Gina:** This is where automation comes in, of course. So, when we say automation, what are we referring to? Automation is really when we think about accomplishing the work — so, making sure transactions are processed so that we can spend our time in different ways, so that we're doing these things more efficiently. We're spending less time in that transactional. It can make our workflows consistent, right? Automation helps things to happen the same way every single time. It helps us really to think about, perhaps, our data being more reliable, so something around the integrity of the data, because maybe we're not manually keying in data in multiple places, things of that nature. And oftentimes, automation helps us in terms of documentation of approvals and being able to trace transactions and have a good audit trail.

**Gina:** And we'll go through in a minute some examples of automation like this as well, because ultimately, we're trying to solve for some of those pain points that leave us in that very big, transactional work kind of space. We want folks to have visibility into metrics, numbers, budgets. Right? And not have it be a manual kind of thing. Sometimes, it can be self-service. We want to try to solve for that manual entry or duplicative data entry in more than one system, so we want to have some integration. We're trying to solve for manually creating reports, and maybe taking data from different places and putting it together — again, in a spreadsheet. And, of course, wouldn't it be great to get this information a little bit more real-time, quicker? So, we want to not have financial reporting be delayed. And so, we have here are some common pain points, but we know we might have also some other things in mind that we're trying to solve for as well.

**Gina:** So really, that's the benefit when we think of the goals around automation. Before we get into just a little quick highlight of some of the “what” around automation, in terms of what does it look like, what do these tools do for us? I also wanted to spend one minute and talk about, you know, what does it *not* look like? So, we'll kind of go through, here are some examples of automation, and in the process, talk about what's an ideal way, and maybe what's a way that we see that maybe is less efficient.

**Gina:** So, of course, when we talk about our financial management in our systems, our general ledger is the hub. The general ledger, even in our map of where our data lives, was in the center here. It’s really our source of truth for our financial reporting. Even if we think about our general ledger, we have some functionality here that can help us in automation. So, it's really thinking about the general ledger beyond just the place where maybe we are entering our payables, or just kind of coding in the same way we coded in the past and using our same old reports. What's interesting — and I'll go through this list quickly — is the list here on the left of basic functionality used to be a shorter list. And now we see lots of things that used to be not that common showing up as basic functionality in our general ledger. So, for sure, if we feel like we're not getting the most out of our GL, this could be something to think about. Think about the flexibility in your chart of accounts. So, for sure the power in your general ledger is going to be on your chart. If you really are creating lots of manual reports, things of that nature, it might mean that you need a chart of accounts refresh. It's also really hard to create automatic reports or automated reports if your chart is not set up the right way; the data has to go in and be coded a certain way in order to get that report out the way you want it to look, regardless as to the tool or the technology. So really starting here with basics around the GL.

**Gina:** Of course, we know things like AP, AR… but we really want to think about, not only ability to get data in and out of the system, but how about different users going into the system for read-only access? That self-service kind of approach to the general ledger. And then, all of the things that here are in the differentiator list that, again, some of them, even, maybe even more, could turn over and be basic functionality today. Things like dashboards. Automatic allocations. Those are some of the automated features that, again, are becoming more common, and this is what we see folks really striving for around the general ledger.

**Gina:** Now, with the GL being the hub, we want to think about, how does the data flow from the general ledger or into the general ledger? So, we have this continuum here, starting on the left, from a manual process, where we're entering data in other systems and also manually entering data in the general ledger, all the way to what we want the end goal to be on the right-hand side, which is automated, and that's where the systems are speaking to one another. Now, we know that we may not get there overnight, and so it's really understanding, how do we evolve to get from manual all the way to the automation?

**Gina:** One really, we’d say, quick kind of place where folks usually start is looking at things that are easy to implement, like some banking technology. It could be something super simple like remote deposit, things of that nature. When we're hearing things like, “folks are going to the bank, depositing checks,” it feels like what we call “low-hanging fruit.” We can do remote deposits; we can kind of cut out that whole process of having to go to the bank, things of that nature. These are some really accessible tools for most folks with their banking relationship, really, to get some quick wins with automation.

**Gina:** The next one that we want to talk about is really all around expenses, and this is what Ruth also had mentioned in terms of either electronic bill pay or electronic accounts payable, and also expense management. They kind of go hand in hand. It's all around the cash outflow, right? Expenses. Now, when we talk about electronic bill pay, even like a Bill.com that Ruth had mentioned, what we're talking about is not the same as, perhaps, a workaround that many organizations maybe, as we mentioned, at the outset of the pandemic had to implement really quickly. We're not talking about creating our same process that used to be manual by using things like emails to have folks approve invoices, right? And then downloading our emails as a PDF to evidence approval. These are workarounds that feel electronic, but they don't use a true electronic tool. So, we're talking about a real tool that uses technology where you can scan invoices. It will read the invoice — you can code right in that technology — and it speaks to your general ledger, integrates with it; we're not entering invoices in the GL as well. And these tools route the invoices and the payables for approval, based on the workflow that you set up, and also, they are paid electronically. A difference between doing something that seems to be electronic, versus using a true electronic tool.

**Gina:** Now, expense management software works the same way. Many of these items here that are described around expense management also can describe that electronic AP system as well. We mentioned that we can scan, or perhaps snap a picture with a mobile app, either of a receipt for our expense report, or also could be for an AP invoice. That electronic routing, that coding connection to our general ledger… and of course, all of that gives us that really good audit trail, so, gone will be the days of paying an invoice without approval on it, because it would be impossible in a system like this. The invoice doesn't move forward without approval. Right? So that's a great example, again, of really accessible technology where we have lots of options for handling expenses.

**Gina:** For lots of us, our biggest expense is payroll. So, this is another area where… just want to give some give folks ideas around the fact that we can think of the payroll as this whole cycle: not just payroll processing, but really starting with the whole HR management, in terms of employee onboarding and that whole experience, and keeping all of that information in a database that’s connected to a time and attendance system, helps to run payroll, and also can be integrated with the general ledger. So, lots of tools there can help us with automation.

**Gina:** Grants management is another big area where… here we're just looking at some reports that have come from a system that are helping us to automate the management of these revenue sources, and what we're talking about here is hopefully doing away with all the spreadsheets we have on the side that we are keeping, this second set of books here, in order for us to figure out, where are we with these grants? What do we have left to spend in these budgets? And so, we can have our systems keep track of our funder budgets, tell us at any point in time where we are with each line item. Again, we're not doing this manually; it’s real-time reporting, and budget managers can have access to this.

**Gina:** Lots of us in our polls also mentioned wanting to think about budget planning software, reporting software, planning tools. And when we think of this lengthy process, all the time that we invest in financial planning, we can automate a couple of steps here in our budget process in order to really streamline this process and have us, again, focus on the strategy more in financial planning and not so much in terms of, you know, where am I going to put these numbers in this spreadsheet, and how am I gonna take all these different budget spreadsheets and create an overall org budget by hand, right? That lots of us are doing. So of course, we have tools that will help us do that as well. And these tools could potentially do things like get budget worksheets out electronically to all the budget holders, who can put numbers in them and then feed them back and can help us to assemble the budget in an automated way. It can sync to our general ledger. Things of that nature.

**Gina:** And of course, really the ultimate in reporting, to get us all of that information in a great summarized view, is really when we think about the concept of a dashboard. Dashboards are not new. They're a great way for us to see, in a quick view, all of the key information at a glance. Lots of us have been putting together dashboards manually for a long time. But here we're talking about, again, automation, but also different dashboards for different roles. So, maybe you have a development team member, and their dashboard looks different than the dashboard for a program manager. Right? So, it's also this automation helping us to customize what's on the dashboard for different folks. And again, self-service, this comes out of your tool, and folks can see this, not just at month-end, and it would be the data that's important for those particular individuals.

**Gina:** So that's a little bit of the “why do we want to do this,” right, and some of the highlights in terms of the areas where we can get that automation. And so, Mark, I'm gonna stop share, so that we can see each other better, and wonder if we want to take a few minutes for questions.

**Mark Hager:** Right, thank you, Gina. That was a great overview there. Yeah, just a couple of minutes here before we turn to our case study folks that are going to be up next. Just a great overview that I think is applicable to a wide range of organizations. At the same time, it's a wide range of organizations. Some are very small; some are very large. Some have a lot more resources, and some have very few. And some of the questions that came in during registration really pointed to these differences. So, Gina, given your overview there, what would you say to that that small organization, or that organization that doesn't have the resources to adopt that wide range of ideas that you have there? What do you do first? And what do you do first or second, that you have to leave aside if you don't have the size or the resources to take on the full range?

**Gina:** Yeah, that's a great question. I feel like, I feel like it's actually a question that even large organizations should think about, in terms of, how do I prioritize and what do I do first? Cause it feels like a couple of things. It feels like first really having an understanding as to, what do we think our biggest needs are? Where can we get the most savings in terms of efficiency, or where are the biggest pain points? And then also seeing, what do others in the organization think and feel about it? And so also not just relying on, you know, maybe, “I'm the finance person, and this is what I think,” but what would be helpful for folks broadly. Is it aligned, or is it something different that I'm not thinking about? So really, where do we get the most benefit?

**Mark:** Great. Gina, we're gonna bring you back into our second Q&A session [Gina: Great.] at the end, in the second hour, and I worry that we're not going to be able to ask you all the questions that we want to. One of the biggest questions that came in had to do with internal controls. Is that set down in your second group or do you want to talk at all about internal controls in this automated environment?

**Gina:** Yes, we're gonna touch upon that in implementation, so that's a wonderful one that we can see what remains with internal control questions after we do that second component.

**Mark:** I may be able to roll back to that, because there were a lot of questions in that vein. But we'll also want to direct a lot of questions to our other guests. Let's turn to them — Dana, let’s have you come into the room and introduce our case study guests.

**Dana Britto:** Thanks, Mark. Thanks, Gina. So, hi, everyone. Again, like was mentioned, my name is Dana Britto. Alongside Mark, I'm also a moderator with Nonprofit Financial Commons and, just again, I want to really appreciate everyone for being here and also seeing people show up for each other and answer each other's questions has been really, really humbling and gratifying. So, keep that spirit going.

**Dana:** Today, I have the very unique honor and privilege of interviewing our guest speakers for today. As we do with typically all of our webinars, we find true power in hearing the stories and experiences of peers who have been through it and lived through it, and we want to extend the same opportunity and extend the same spirit for today. So, I have the privilege of sitting here with Dominique Jones, executive director, and Young Sook Na, the VP of Finance, of Global Kids. Thank you both for being here. Really appreciate your time and your perspectives. And before we jump in, could you just take an opportunity to introduce yourselves, but and then also just give a little bit of an overview of the work of Global Kids, and your budget size as well.

**Dominique Jones:** Well, of course, it’s a pleasure to be here today and to interact with you and also all of our peers at this virtual roundtable. And, you know, we definitely have benefited from planners and workshops like this, so we're really honored that we could share our story with all of you. My name is Dominique Jones. I'm the executive director for Global Kids. I've been in this role since the fall of ’21, so towards the tail end of the pandemic, and I have the good fortune of working in partnership with Young Sook Na, who’s our vice president of finance. And I'll let her introduce herself and her background, and then we can talk a bit more about our organization and where we are.

**Young Sook Na:** Hi. It's really a pleasure to be here today. My name is Young Sook Na. I'm the vice president of finance. This is my ninth year with Global Kids. So, it's been a while since I worked with Global Kids. Our budget size, this year, is about $12 million. When I started Global Kids, it was around $6 million, so we have grown, or doubled size, budget-wise.

**Dominique:** And I think one of the reasons why we've grown, we've really doubled our size, has really been the work that we have engaged in. A little history about Global Kids: We've been around for 35 years this year, so we're celebrating a milestone. And we've evolved from a small, kind of niche program that really engaged young people from all across the city to learn about global, foreign affairs, international relations, advocacy, and we've now grown to work in two cities, New York City and Washington DC, and we serve, we’re in approximately 32 schools in those two communities. And so our work has really begun to not just teach young people about human rights, but our work to advance human rights and to address educational inequity and, at the end of the day, move young people to a positive future.

**Dominique:** We are in the midst of finalizing a strategic plan, which includes changing a bit of our mission statement (and I have to pull it up to read, our revised mission statement): “At Global Kids, we educate, inspire, and mobilize youth to become global citizens who are positively engaged in the world and are prepared for our future.” And we do just that —in the schools that we work in, we provide out-of-school-time programs, youth development, other youth development programs such as workforce readiness, college and career readiness. And then we also operate community schools, which is really about embedding ourselves in schools to ensure that our young people can access quality education, but also to stay engaged.

**Dominique:** And so, it is a great privilege to lead this organization that's serving over 10,000 kids across the two cities that we work out of, but definitely could not do that without the great expertise of folks like Young Sook, but also the innovation and the automation that we do every day to really help to move things forward. And so, that's a little bit about us at Global Kids.

**Dana:** Fantastic. And again, congrats on that 35-year anniversary, and thank you again for sharing a little bit of… already, hearing about that growth trajectory and curious to dig in a little bit more about how the systems and infrastructure help support that, for sure. But before we get there, I think, I guess, as a first question, and Ruth had alluded to this at the top of the presentation, I think, in 2020, particularly because of the pandemic, we were kind of thrown into an environment where we kind of had to get comfortable with automation, or at least comfortable with exploring automation, whether we wanted to or not. And so, I would be curious to hear a little bit more about, in the case of Global Kids, what financial processes were most disrupted by the pandemic and the need to be in a remote environment, and what was your response to those challenges?

**Young Sook:** Yeah, so like many of us before the pandemic, we were doing everything manually. When our staff needed money for their programs, they’d fill out a form, get signatures from their supervisors, and hand the form in person. Our finance team would then process the payments and write checks for vendors and staff. Wire transfer and ACH payments were done on a few occasions. And back then, we were using different platforms for our messaging, emails, and online storage. And when the pandemic hits, just like everyone else, we had to quickly shift from paper to the digital world. Luckily, we were already in the process of transitioning to Microsoft’s system, thanks to our IT director. He believed that having one platform for everything, including messages, emails, and online stores, you would be more efficient. Because of this, we were able to smoothly transition to the Microsoft system. We started using Microsoft Teams for all our internal communications and physical procedures. Different channels were created for each site, and this became the main communication platform for requesting funds if necessary. Using Teams was very effective because we were able to quickly transfer what we were doing in person to the online system. For example, if staff needed funds for their program, they'd put their requests on Teams, and instead of getting signatures, they’d get approvals from their supervisor on Teams. Once it was approved, and all the paperwork was uploaded into Teams, our finance team then processed the payments.

**Young Sook:** We also had to make changes to our accounting software. Our software was based on our server system, located in our headquarters, and it was connected to our computers in the office. But since we were working remotely, we had to switch our accounting software from a server-based to a cloud-based system. And of course, there was a significant impact on how we paid the vendors. We could no longer send physical checks, so we had to utilize wire transfer and ACH payment systems that our bank already had in place. So overall, our ability to adapt quickly and leverage digital solutions allowed us to maintain financial processes, despite the challenges that we have faced by the pandemic.

**Dana:** Fantastic. What a journey. Again, I think a lot of us can relate to going from doing or relying a lot on paper and having forms that need to be signed in person, and the inevitable getting to the point of going from a server-based system to the cloud, I think is something that a lot of our participants can relate to as well. And so, given the changes that, again, can be, and I’m sure in some ways probably were for Global Kids, a pretty big transition, not just in operations but in culture, can you talk a little bit about how your approach was to managing some of that change, getting people on board with this new system and, you know, understanding that situation, where at first it's tough to learn something new, but how to how to build it more into the culture and maximize and publicize its benefits?

Anything on the change management journey, as it relates to automation, I think would be really helpful for us to hear more about.

**Young Sook:** Okay, I can start. So, whenever we made major changes within Global Kids, we want to ensure that the staff understands why we need to change this and underline the reasons. In our case, the pandemic and the shift to a remote work setting were the primary drivers for changing our system. Prior to the pandemic, remote work was not allowed. We all had to work in person, so switching to electronic process was a major shift for the organization. Immediately after the pandemic hit, directors were meeting on a weekly basis to address some of the urgent matters. We had discussed how this would impact our fiscal procedures overall. And considering our ongoing transition to Microsoft system, the

IT and finance team, we actually met and planned what we needed to do to process our physical procedures. Then, before the full launch of Teams, we created a sample channel and explored different options and methods to provide Teams. And we did multiple trials, just between IT and finance, and we were able to come up with a fiscal procedure that could be executed throughout the lower case team. And then we were providing trainings to directors and staff members involved in the process to ensure they can do it on their own.

**Young Sook:** We also decentralized some of the centralized processes. For instance, those that needed to order supplies, that previously went through our Operations team. However, we discovered that for certain vendors, they could create organization accounts. And within that account, a staff member can create their own user account and place an order on their own. The transition to remote work and the adoption of Microsoft Teams as our main communication and fiscal platform has had a huge impact on our organization. We have witnessed a cultural shift towards adaptability, collaboration, and digital fluency. Our staff has really embraced the changes and demonstrated resilience and willingness to embrace new technology. And yeah, they had really struggled at first, but we had made sure that they got a proper training before using all this different technology.

**Dominique:** And I'll just add — and we'll probably get to it a little later in the discussion — I think that, not that we were waiting for the pandemic to happen to make those changes, but I think what the organization saw is that there are wedge opportunities to begin to make change and focus change. So, I think that that has also been embedded a bit in the culture. My entry into the organization presented opportunity. Different contracts or programs that we have may have presented opportunity, but that that sensibility, I think, has been pervasive and has been important. We're really looking at these situations as opportunities to enhance what we do and enhance our processes, and that has gone a long way.

**Dana:** I love that. Again, I love the culture of support around it — the meetings, the trainings — something I think we would very much encourage anyone who was on the call thinking about, really, the time that it takes to make sure folks feel supported and are able to optimize whatever the specific automation solution that they're seeking. So, I think you talked a little bit about this, Young Sook, in terms of being thrown into the pandemic, and I think Mark and Gina had to address questions about this earlier, but I think, from your perspective, I would love to hear a little bit more about making decisions around which solutions to implement and when. I want to hear about the future of where you're going with automation, but before we get there, I would love to hear, especially over the past three years, what areas of automation implementation have you prioritized, and how did you figure out where to even begin?

**Young Sook:** So, there are different next steps that we took, as to like automations and digital-like space. As I mentioned before, we had to prioritize our focus on adapting to a remote work environment, because this this was something new and everybody had to adjust. And we had to figure out where people could submit their request in a remote work setting. That's why we initially chose Teams, as we believed it was the best fit for us at the time. And since most of our payments were conducted electronically, we looked at the payment systems as well. So, we wanted to find a payment system that could assist in coding expenses and reduce manual data entry errors. And this is when we decided to use Bill.com. Utilizing Bill.com proved to be highly efficient for us, as it addressed some of my concerns about making errors. I get really nervous when making wire transfers because once you make a mistake, you cannot go back. And so, using Bill.com really prevented us from having those errors. And it also enabled us to manage payables in a timely manner because we could make payment schedules.

**Young Sook:** And after taking a step towards improving our payment process, we decided to overhaul some of our purchasing patterns. In the past, the staff had experienced frustrations about not getting approvals on time, which delayed the orders and sometimes impacted their programs. We discovered some of the requests that some made on Teams could easily be missed, because they have to tag their supervisor. Sometimes, they forget to do it, so it was… yeah. And the staff, they expressed a desire to place orders on Amazon. And we thought it’d be feasible to include Amazon as one of our options for ordering supplies and other necessary items for their programs. We found that Amazon allows you to customize the approval process and enter in different coding when placing an order. This eliminates some of the steps needed to take when placing orders, giving them more power and control over their spending. And it also saves a lot of time, because there is no more going back and forth.

**Young Sook:** We also examined how we utilized credit cards. Traditionally, credit cards were not the preferred method of payment because we wanted to centralize and have more control over spending. But as we got bigger and bigger, we decided it would be better to provide credit cards to our directors who oversee different departments. We found a credit card system where people could easily upload receipts through an app and enter required information for the finance department. I guess the main goal of implementing these different systems was to provide better tools for staff to work efficiently in a remote setting. Not only did… our program staff were happy about how efficient, how easy it was, it actually helped our finance team because it decreased our manual data entry and some of the errors that had occurred before.

**Young Sook:** Dominique? Yeah? No? Okay.

**Dana:** Oh, I think, Dominique, you might be muted.

**Dominique:** (I should know better.) I think that Young Sook has said it all, really. That next step was to bring in a payment system. Bill.com, for me, was the only choice, as I had used it in a previous organization, and I found that that would create a lot more efficiency and the controls needed to be able to execute our payments in the appropriate way. Amazon and other vendors were critical to be able to have an online platform that really empowered staff, so I think… the ultimate thing was we want to empower staff to be able to make decisions, to be able to move on things so that their programs can work and be effective. And so, I think, if anything, a lot of these changes have also led to increased efficacy of our staff members — all across the organization, up and down the org chart. And so that, I think, also creates a good… a strong culture where people feel like they can make decisions and make things happen in the way that they need to make them happen. Although, we have parameters around some of these things, and Young Sook and her team are very diligent to monitor.

**Dominique:** And if anything, these tools enable you to be able to better monitor and not miss anything. In some respects, some of these tools actually flag things so that we can respond. I know I have to submit some receipts this week because it flagged it for her team. They're emailing me right now. [Young Sook: Yep.] So, the efficiency brings out more than just having better processes, but having people feel good about their work on a day-to-day basis.

**Dana:** I love that, yeah. And thank you, Dominique, for — and again, Young Sook, too. I think there's a lot of emphasis on time saved, and I think that's really important, but having people feel good around the work that they're doing, I think, is a benefit of automation that isn't counted enough. So, thank you for helping us visualize how it helped create that environment at the organization.

**Dana:** So, we have time for one more question, and my final question will be two-part. So, really, 1) what's next for Global Kids, as it relates to the next phase of your automation journey, and 2), what lessons from prior phases will you bring into any further decisions and around selecting or implementing any automation solutions?

**Dominique:** Well, I'll just start and say the next adventure is integration, right? How do we get all of these systems to talk to one another, and also help us to build out our reporting mechanisms that are useful for staff, useful for board, useful for reporting. In addition to our financial management tools, we've also brought in new HR tools, we have some fundraising tools. Some may talk to each other a little bit; some may not talk to each other at all. And I can imagine there's not one magic solution for everything, but our goal is to get as close to full integration as possible, so that we're not chasing down information. One of the examples that the earlier presenter shared was just those dashboards that look at your outcomes, and look at how much you spent, and that's the panacea, right? That's where I think we aspire to be in order for us to truly be as effective.

**Dominique:** I also think that we really begin to onboard staff early around these processes and these tools, particularly at the level that they come in, so that this is not something they have to dig around and find out about. It’s that, this is part of your responsibility, your work. This is how to use these tools. And I think that that goes a long way for, going back to what I've talked a bit about, in terms of empowering staff with those tools.

**Dominique:** So, I think those are the quick things that I would add in terms of the future. I know Young Sook has a laundry list of things she wants to get done, and I'm just trying to help her get them done.

**Dana:** Okay. Wonderful. Well, Dominique and Young Sook, thank you so much for sharing the journey, the ups and the downs. We support you and applaud you on the next phase of your journey, and really, really just appreciate the candid storytelling from both of you — and congratulate you on your success, and especially the 35th anniversary and the growth that you've achieved over the last year.

**Young Sook:** Thank you.

**Dana:** So, thank you so much for that. And with that, I will hand it over to Gina.

**Gina:** Thank you. Okay, hi again, everyone. So, for sure, hearing the real-life… I would say, planning… use cases, you know, folks that are using tools day to day, and then… all of that deep thinking that Global Kids had to do in terms of the implementation really is what we all find most helpful. I’m even noticing what's coming through in the chat is, “We really want to know, what tools are folks using? What would you have done differently if you were to do it today?” It's really all around, “how did we decide what we were going to do,” and then “how did we do it,” right? And how is it working today? So, with that in mind, I'll take us through the highlights in terms of some considerations around implementation. And then this also leads us to a little conversation around internal controls, which I know Mark mentions as something that's coming up as well for folks.

**Gina:** Even in the conversation that we just had with Global Kids, for sure what came up is this concept of shared financial management. Because we were hearing about program folks wanting to have an efficient way to buy what they need to buy for their programs, right? Make sure things get coded to their grants, things of that nature. Get the information in the reports that they need. And then, of course, we have Young Sook in finance, who's trying to work from that perspective with the information and make everything happen smoothly. So it's really a great example of this shared financial management. And so, we know this really brings us back to where we started in the beginning, with this concept of, it's broadly a consideration when we think about automation, and it's not only affecting folks that are working in that finance function.

**Gina:** So, really, when we think about how many folks are involved here, this first implementation tip that we want everyone to remember is that this can be really a major change to manage throughout the organization. It really has us think about, “How do we think about change? How does our organization handle these things?” and becomes a change management kind of conversation. And so… when we think of the common challenges around implementation, this could also be common challenges just for any kind of change management. What comes up for us includes things like really thinking about the culture in our organization — are folks ready for change? What is the way that change has worked well? How do we present it to folks? Who should really be involved in that decision? What does training look like? Things of that nature. Everything around the culture of our organization. “Are folks ready for this change?” (If folks are not ready for it, if there is not buy in, it's gonna be really hard.)

**Gina:** Then, later, after we've implemented, to really have folks be embracing the change, is our vision unclear, or is there clarity around what we're trying to do and why? I feel like, from my perspective, this, where it says “unclear vision,” this is one of the most important ones that we see, in practice, a little bit get left out, I would say. Sometimes folks are wondering, why are we doing this? I like what I'm doing right now with my time sheet, for instance.

I know how to use it. I've been doing it for a long time. Maybe I don't feel like I understand why we need to use a new tool and what is the benefit of it. Alright, so really having a clear vision of what are we hoping to accomplish and how will it help everyone is really important.

**Gina:** The concept of folks having “no bandwidth” is a huge one as well when it comes to change management, in particular around implementation of any new technology. Of course, we need everyone to have time to be trained and learn new tools, new processes, things of that nature. But also, who's going to really be the owner of this implementation process? And does that person, or do those individuals, have time to even work through the implementation. Implementation likely takes much, much longer than any of us would hope that it would for some of these systems. Right? So, it can vary depending on the system. It might be electronic bill pay, right? That really has maybe a short implementation time frame, as opposed to general ledger implementation, which can be many, many months long. And what does that look like for someone who is already at capacity with their day-to-day work, and they also need to manage a general ledger implementation? So, really thinking through that, and how do we give folks the time to thoughtfully implement tools that we have selected, and we also need time for training.

**Gina:** And then, what are the external factors? Sometimes, even thinking about things like “where are we in our fiscal year end,” and all the other things that we have to manage at different times of the year perhaps, maybe compliance environment, and how does that play into how easy or not it will be for us to manage through this change.

**Gina:** From a practical perspective, the software selection process itself is often not as robust as it could be for many of us. So what we're saying here is, actually spending more time planning exactly which tool we will select to automate which process, so not just picking maybe the tool that one of my colleagues recommended without researching it, and then moving to implementation. So, want to offer folks these headlines here for consideration when we're actually at the beginning here, thinking about implementation.

**Gina:** We want to understand what is possible for connectivity. Am I buying a tool that's going to talk to my general ledger or not? And maybe the answer is, it must connect. Maybe the answer is. “Oh, I might change my general ledger a year from now, so maybe it's okay that it doesn't connect,” right? But it's a question. We want to understand, how does the tool interact with structures that we have in place? We talked about importance of chart of accounts, things of that nature. Or am I changing my structure? “Do I not like how we're reporting or slicing and dicing information and do we want to do it differently?” It's a little bit, sometimes, of this blue-sky thinking, right? Maybe not just thinking about what is it like today, but is there some improvement?

**Gina:** What kind of security exists? (We're going to talk about internal controls next.) What does it cost? And what about customization? Customization, for many of these tools, can be a big-ticket item if it's not a tool that you're gonna use right out of the box, as we say. We think of General Ledger as the power in your chart of accounts, but it's pretty common that we need some significant customization if we really want to optimize having these tools work for us. So, really think about, what are our must haves? What are the priorities?

**Gina:** Which really brings us here, to thinking about this concept of prioritization of those technology requirements. Knowing that today we have technology that can do anything, it feels like if we have it on our wish list, there is a software, a technology, a tool that can do it.

We're not short on options. This is why we really need to come up with this “must-have” list and beyond. If we notice here, at this prioritized little pyramid, the must-have list at the top is the smallest list. What are these core must-haves? What are we really trying to solve for?

What, if a tool didn't have it, it would be off our list. So, this is our must-haves.

**Gina:** Then we have the “should-haves.” Sometimes I call these the nice-to-haves. And then we have, below… things get less important in terms of features the lower we go down here in the pyramid. And so, this will help us also narrow down the options in our software selection. When folks say, where should we start, we should start with this. So, we should start with this system requirements prioritization, and then we can move to, what does this mean? What are we left with? Okay.

**Gina:** Of course, we want to also think about bringing equity into the conversation. If folks have talked to us before, you know we really think about the intersection between finance and equity in a variety of ways, and of course it comes up here as well around technology.

I won't read each one of these to folks right now, but I offer this as a takeaway. And even we've talked about things like finance and financial information being accessible to all folks and the language we use, and things like making sure we have appropriate training for folks, and not assuming everyone's at the same level with expertise, and things of that nature around finance, and much of that translates to technology as well. So, just invite folks to think about that as we are implementing technology.

**Gina:** But I really want to take a couple of minutes to talk about internal controls, as we heard that it's coming up for folks. And certainly, really, the headline here is, we can change our work flows and change our tools, but we still have to think about, how are we going to keep our really good internal controls in that different environment? We still want to have a good system of controls; they may look different, but they should still exist. Because we know that regardless, we need internal controls for a variety of reasons. Of course, it protects our assets, right? A lot of times when we talk about internal controls, folks think about things like fraud and loss, and things of that nature. And while, yes, it protects us from that, it also helps us to produce reliable financial statements, right? Internal controls also help us to get numbers in our general ledger — correct the first time, coded correctly, and timely, so that we can get reliable financial reports produced. So internal controls help us in a variety of ways.

**Gina:** When it comes to technology, we start to have some different consideration in terms of the roles folks play, and the way folks interact with tools and technology. In terms of positions, we start to hear things like, we might have a database administrator, or different folks with different security rights or access to our tools. Maybe we have different administrators for certain applications here. And so, we just invite folks to think about being thoughtful in terms of the positions and who has access to different systems. It's really talking about looking at duties and what duties overlap. What seems like a compatible function, or not.

**Gina:** And really, from the perspective of controls, want to highlight a couple in particular. You know, really thinking about this concept of periodically monitoring the activity. Just because something is happening in an automated way doesn't mean we're going to “set it and forget it.” We still need a human being to be looking at information, validating information. Someone simply looking at something, looking at the information, is free — free and easy to do. It just takes someone having a periodic check-in to look at data. It's a really free and easy control we don't want to forget about, even in an electronic environment.

**Gina:** We want to make sure that we have good systems for backup and recovery of information. Sometimes in this area we also hear things about disaster recovery plans, which is a hot topic lately — having something in place that is our roadmap should there be some kind of data emergency. And this concept of this principle of “least provisioning”; this is really all about giving folks the minimum access, or the minimum permissions, they need for their job. So if, for my job, I do not need to have access, maybe, to pay a bill, then I shouldn't have those rights or that access. Again, it’s just like in a manual environment, where perhaps someone was not a check signer, they would not have ability to be able to have money leave your bank account in an electronic environment. We think of the good controls we had before, and how do we get those in this electronic way. They look different, but we want the same controls.

**Gina:** So, Mark, I hope that was a good high-level overview of internal controls, but I know that we've got a few minutes here for some questions.

**Mark:** Let's bring in our guests from Global Kids and continue on with this question about internal controls, since that's where Gina is leaving off here. Clearly of the 30 or so separate questions that we got from people who were registering, there were five or six folks that were focused particularly on angst around the question of internal controls, and Gina, I think you've got a good position on this; “What we need to do doesn't change, but how we do it is going to change.”

**Mark:** So, let's put that to Young Sook and to Dominique. As you implemented these more technology-oriented kinds of solutions, how did your approach to internal controls change? And one question asked specifically, “How do you minimize workload without sacrificing controls?” What was the situation at Global Kids?

**Dominique:** I'm gonna defer to Young Sook, cause the initial work, I think, helped to answer some of those questions, and then I'll chime in.

**Young Sook:** I think, for us, having strong internal controls was very important because we wanted to have a separation of duties. We had to make sure that one person does, the other team does the review. So, I review everything that my staff do; even though we use automations, like Gina mentioned, I have to review the things that come into our door. So that really hasn't like changed the way we do the internal controls, because we had it in place; we just had to follow that protocol that we had in from the beginning.

**Mark:** Young Sook…

**Dominique:** I would just I would just add, really quickly, that, also, being able to see functions and things in real time also enabled us to learn from it and to figure out where there may be some gaps and address them immediately. When you're doing things manually, you can't always step back and look at how things are working, or what are some gaps. So, I think that, if anything, we’re constantly learning, leveraging the tools and the things that they can do to help us to really refine and sharpen our controls in real time.

**Mark:** Let me ask a question about the tools that you're using, because that's what a lot of the questions are about, both in the chat and the in the questions that come in from registration. In a webinar like this, we can't get down the road of talking about the details of each of these tools. Lots of them come up in the chat. You see references to Exemplify, to Ramp, to NetSuite, to Stripe, to Salesforce, to Divvy. And Dominique, in your remarks, you mentioned Bill.com and Amazon. Is that primarily what you're using, or are there other tools that we would know?

**Dominique:** So, we're using, of course, our accounting system, but then Bill.com is really our main accounts payable, accounts receivable tool/vehicle. We have a donor database that we use; when I talked earlier about integration, I think our concern is, is it talking to these systems? So, I think that that's kind of the next foray — into figuring out… where revenue comes in, how are we tracking that? Because right now we are doing a lot of things manually.

**Dominique:** And then Amazon is really our main procurement tool, where we are purchasing supplies and things, but we also use other vendors like Staples, who has an interface that can be used, similar to Amazon. And then we've also, in New York City, in afterschool programs, it's a lot of food purchases — a lot of food purchases all the time.

So, we found vendors who have online platforms that we can access as well. Our credit card vendor, which we use — we use Ramp. And that has also come with a number of other tools that helped to manage those controls, too. So that's been very efficient when, particularly, as we're trying to use other vendors that don't have the enormous platform that an Amazon would have.

**Dominique:** And because all of our programs are deeply tethered in community, Ramp enables us to be able to use community base, or community vendors, or other neighborhood businesses, small businesses who accept credit card payments but who may not be able to use some of the other tools that we've talked about. So those have been really essential platforms for us, and vehicles for us to be able to get our processes up and running and automated, but it really starts, I think… it started with Teams, so I'm gonna I'm gonna really give a shout out to our IT folks around Teams and how they use it, because I'm gonna be really honest with you: I didn't think we could use Teams in that way. [laughter] It's so flexible, and we created processes. The trick is not to make those processes so convoluted, right? And so, part of it is stepping back and saying, “Does this work for us? Are there too many steps? Are we missing things?” But Teams really has been foundational for us and has really opened the way for us to use other tools.

**Young Sook:** If I may?

**Mark:** Quickly.

**Dominique:** Of course!

**Young Sook:** I think automation on our expenses, accounts payable, it comes in a natural way reaction to what was happening, because people had to use money on a daily basis. Now that we have gone through some of the phases of the expenses, now we are looking at revenue, as well as grants management, and some of the donor database, that we also need to automate, automate systems.

**Dominique:** There just needs to be a one… somebody needs to create the One Box. [laughter]

**Mark:** I have a bunch more questions. We're short on time. I have a number of questions I'd like to ask, but we need to reserve those. We have a forum that we're going to post some additional questions in and hope we can generate some activity amongst our participants and maybe Dominique and Young Sook might come in and share some of their additional thoughts there as well.

**Mark:** I'll thank Dominique and Young Sook for your presentation on Global Kids. I hope that we'll hear from you additionally. I will now turn to Gina to tell us what our takeaway should be before we turn to wrap it up.

**Gina:** Great, so, also invite folks, as we're just spending a minute on what we offer as takeaways, to think about what are one or two things that you are walking away with. What are the things that resonated for you today? We offer these several, knowing that we can have many more.

**Gina:** We mentioned a few times financial management takes a team. So really, we want folks to walk away with that concept of this shared responsibility. Also, thinking about that this technology really should increase efficiencies, but also not only should be able to maintain your internal controls, but there also is a way to have this technology strengthen your internal controls and help to promote a culture of compliance. Really also thinking of enhancing those aspects as well.

**Gina:** We talked about customization, and so want to remind folks to really think about customization that might be necessary for any of these tools. The out-of-the-box solution might not just be a plug-and-play for you all. And then again, our last item here we offer is to think about, before selecting a new technology, really map out the workflows to identify the pain point today. We definitely don't want to repeat the pain points just in an electronic environment. And think about what could change or shift in this new system.

**Gina:** Curious what folks had for their takeaways, and hope these resonate for you as well.

**Ruth:** Thank you, Gina, and Dominique, and Young Sook. That was a fabulous webinar. I'm always amazed at, when it seems like an organization might most get overwhelmed, it will actually break out of previous constraints. And I've seen this happen with nonprofits, over and over again, that when they're put to the test and really tested, there's something magical that happens that takes them into another realm, that launches them into a new phase. And it's so impressive; every time you hear it, it's impressive. So, thank you very much, Dominique and Young Sook, and good luck on that trajectory that this trajectory that you're on. I’m sure you're gonna get there and beyond.

**Ruth:** Okay, so I want to just say again that one of the things we really would like for people to do is just stay connected on the Forum asking each other questions. As you will see on this webinar, as on most of our webinars lately, there is an enormously active chat between people, and people get a lot of information from each other. Because what you need is pretty contextual, and it requires somebody really understanding what it [vocal cuts in and out] organization. So, it's nice to see that back and forth in such a sensitive way. I do want to urge people to go NonprofitFinancials.org, and when you go there, click on Forums, and you'll find the place where you can just ask each other and answer each other's questions.

Okay, to the next slide.

**Ruth:** We will send you resources with the recording of this webinar, so you'll see that in another couple of days, and I want to go on to the next slides. So, there are going to be two things in there we want to call out. One is a grid with implementation planning, which will be in your resource section, and the next one is “Software Assessment” — a software assessment tool. These are things that BDO brought into this situation, and they are enormously useful. So take a look at them when you do get the resources.