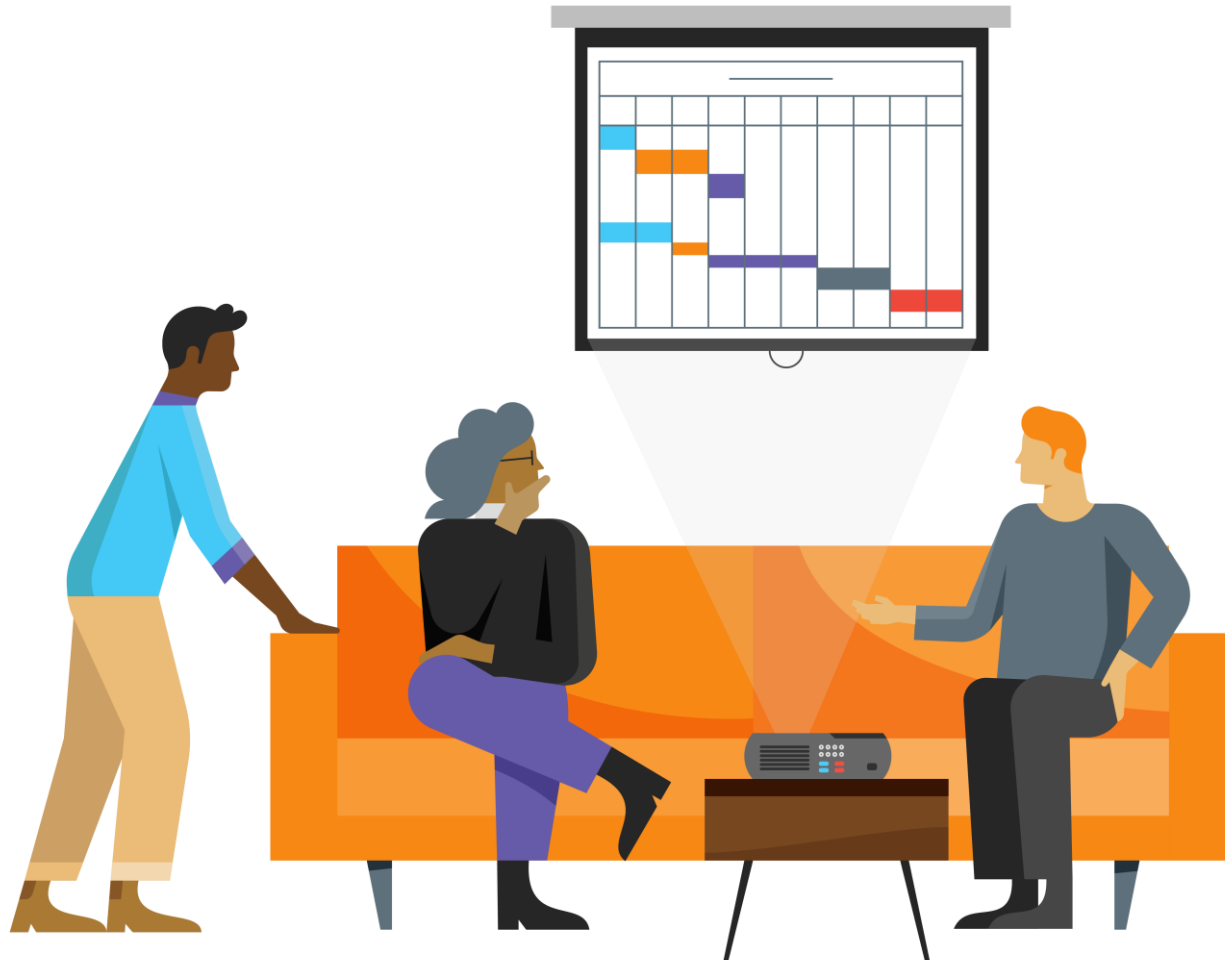


Financial Storytelling

Presented by

Bre Onna Mathis
Emma Calvert
Mariesa Kubasek

February 25, 2025



California
**community
land trust
network**

Let's Build a More Just and Vibrant Society

About Nonprofit Finance Fund

With over 40 years of lending, consulting, community engagement, and advocacy expertise, Nonprofit Finance Fund (NFF) is a nonprofit and community development financial institution (CDFI) deeply committed to social justice.

We help mission-driven organizations achieve their communities' aspirations through:

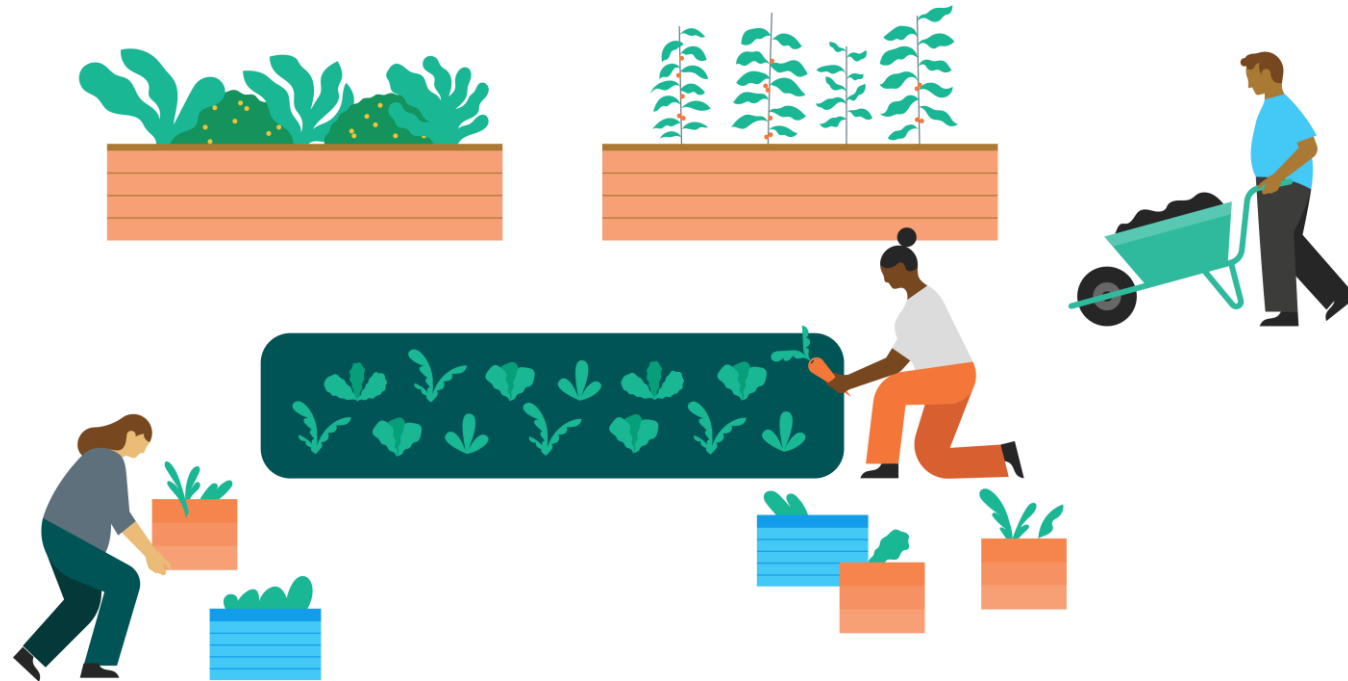
- Financing
- Consulting
- Advocacy
- Partnership and knowledge-sharing

We are guided by our Core Values →



Warm-up

- Welcome! Drop in the chat your name, pronouns, and organization
- In breakout rooms, build a story from the below prompt within your small groups
 - **“Buried deep under the soil, we found seeds unlike any we’d ever seen...”**



Today's Learning Objectives



Understand context for financial storytelling



Explore the components of financial stories



Tailor financial stories for different audiences

What is a Financial Story?

A Financial Story uses numbers to explain where you are today, how you got there, and where you want to go. **It connects the numbers to mission, context, actions, and needs.**



When stakeholders understand your financial story, they can make better decisions to support your organization.

- **Financial storytelling can take many forms:**
 - Crafting a narrative for a funder proposal
 - Developing the financial narrative in a strategic plan
 - Elevating the financial urgency in the annual report
 - Conveying financial planning and decisions in internal financial statements to the board or internal communications to the staff

Know Your Audience

For each story, know who you're telling it to, and **why**, before focusing on the **what**.

Funders and donors

Board members

Members

Staff

Residents

Community / partners

- What questions are you asking and being asked?
- What information do different audiences come to these conversations with?
- What do you want them to come away with?



There Are Many Financial Stories We Could Tell

Business Model

How does your organization make and spend money in service of its mission?

Strategy Changes

Is your business model or capital structure evolving?

Capital Structure

What financial resources, beyond your revenue and expenses, support your mission?

Financial Impact

Are there internal or external changes that are impacting your financial situation?

Full Costs

What resources does it take to carry out your organization's work?

Funding Request

What could additional financial resources make possible for your organization?

What are some questions that you want your story to answer?

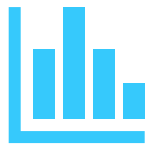


Building & Telling Our Financial Story

A 'Financial Story' connects our financial model and performance to our mission

Trends

- What were the trends?
- What was the response?
- What effect were you aiming for?



Business Model

- How do you make and spend money in support of your mission?
- How does [insert audience] fit into this business model?



Evolution

- How is the organization and its business model evolving?
- What will you need to realize the vision for the future?

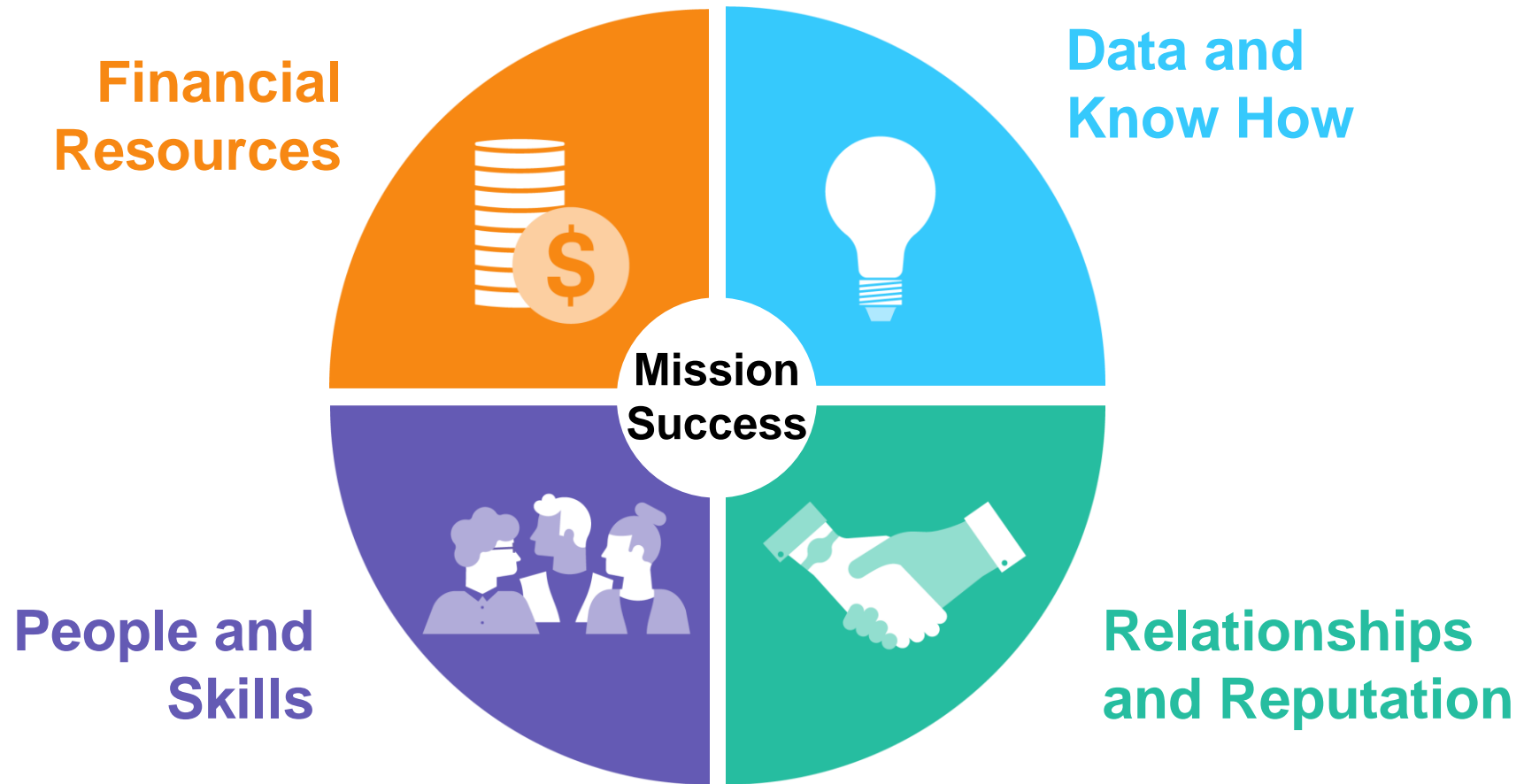


A Comprehensive Narrative Captures All Three Stories

The Financial Part of the Story: Where To Find The Data

	The Past	The Present	The Future
Questions to Address:	<ul style="list-style-type: none">• What have been the biggest events or changes (positive or negative) in the past 1-2 years?• Effect of events on your financial health?	<ul style="list-style-type: none">• What is your current financial situation?• How are internal or external changes impacting your financial situation?	<ul style="list-style-type: none">• What are your future needs (consider in six months, a year, two years)?• How will changes affect your finances or full cost needs?
Data to Inform:	Past income statements, past balance sheets, past budgets	Current/revised budget, cash flow projections, most recent balance sheet	Future projected budgets, scenario budgets, financial portions of strategic plans

Strengths Framework



Where is your organization well-resourced? Where is there opportunity for growth?

	Strengths <i>What complete strengths areas are well resourced?</i>	Needs <i>What complete strengths areas do you identify needs or gaps in resources?</i>	Opportunities/Risks <i>What strengths could be leveraged to fill areas of needs or gaps in resources?</i>
Data & Know-How		E.g., limited access to a data-tracking system	
People & Skills	E.g., stable leadership and a succession plan in place		
Relationships & Reputation			E.g., opportunity to create a partnership to help meet specific community need
Financial			E.g., reliant on very few revenue sources

Financial Story: Asking for a Resource

Think Creatively About What You Need & What They Can Do

Framework for Generating Ideas



Examples of Needs

- Flexibility of funding
- Funding
- Input and insights
- Materials
- Relationships
- Skills
- Space
- Specific Action
- Time

From / To / Think / Do

The From / To / Think / Do Matrix

Great Tool. Terrible Name

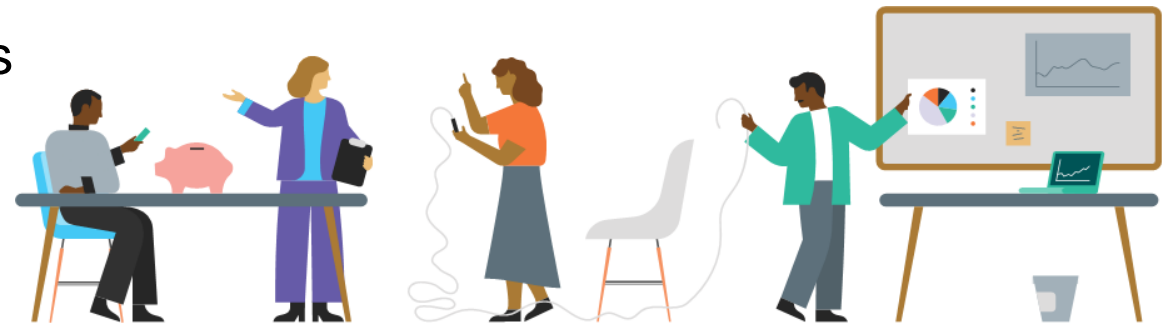
From-To Think-Do Matrix		
	FROM	TO
THINK		
DO		

Sample Rubric: A Foundation

From-To Think-Do Matrix		
	FROM	TO
THINK	<ul style="list-style-type: none">• If an organization has more than 6 months of reserves, it does not need grant support	<ul style="list-style-type: none">• Understand that the reserves function as an internal line of credit during cash flow dips through the year
DO	<ul style="list-style-type: none">• Declining grant requests after many years of consistent general operating support	<ul style="list-style-type: none">• Release funds / approve grant• Revisit Foundation giving policies

Cultivating a Culture of Continuous Dialogue

- **Share information and updates.** Continue to foster an open and inclusive dialogue with the group, board, and constituents. Ensure there are feedback loops in place to distribute and receive information.
- **Share responsibility and ownership** for monitoring and managing to your plans.
- **Distribute the duty** of stewarding the organization through uncertainty and change.
- **Share your experience and insights.** Promote a culture of collaboration and partnership internally, and with external stakeholder groups



Financial Storytelling Roadmap



Example: Connect Your Impact to Your Budget Need (to Funders)

- 1) **Name the outcome** [Org name] will convene [#] individuals in order to achieve [intended outcome].
- 2) **Services provided?** [Org name] convened virtually beginning on [date]. We will convene in-person at [location] on [date] to offer [activities/services].
- 3) **Track record?** In [year], [group name] met [#] times and maintained an average membership of [#] active participants.
- 4) **Effectiveness of approach?** The early results of this small group convening model have been promising. After [#] months, our group has achieved [outcome to date]. Our next step is to convene in-person in order to [intended outcome 1] and [intended outcome 2].
- 5) **What do you need?** With an investment of \$[ask amount] from [funder name], we will be able to convene in-person in order to establish longer term goals for our group. We will be able to effectively advocate for other students aiming to achieve educational success .Are you able to partner with us in this opportunity?

Now Your Turn

In community:

- Use the prompt to share your financial story with your peers.
- As a team, share feedback on each member's *Impact to Budget Narrative*. Some questions to consider:
 - What are your funding needs (the numbers)?
 - Is it clear how the funding will contribute to the vision/impact?
 - What is the call to action for the audience?



Communicate & Advocate

- **Communicate early and often!**
- **Develop** a strong organizational strategy and **communicate** it clearly
- Maintain a dialogue with **staff, board, partners** and **constituents** about what's known, unknown, and options
- Stay in front of **funders** — don't pull back
- Share your experience and insights with your **network** and **stakeholders**
- **Advocate** for a more equitable and effective system and supporting policies



Download [Financial Storytelling](#) Resources at NFF.org



Financial Storytelling Tips

- Be **clear** and **succinct**
- Develop a **beginning, middle** and **end**
- Be **specific**
- Know your **audience**
- Develop a **system** to capture stories that can be used in the future
- Be **genuine and authentic**
- **Balance** both positive and challenges
- Include a **call to action**
- Use **visuals** when possible
- **Continue the conversation:** communicate proactively with staff, board, and funders



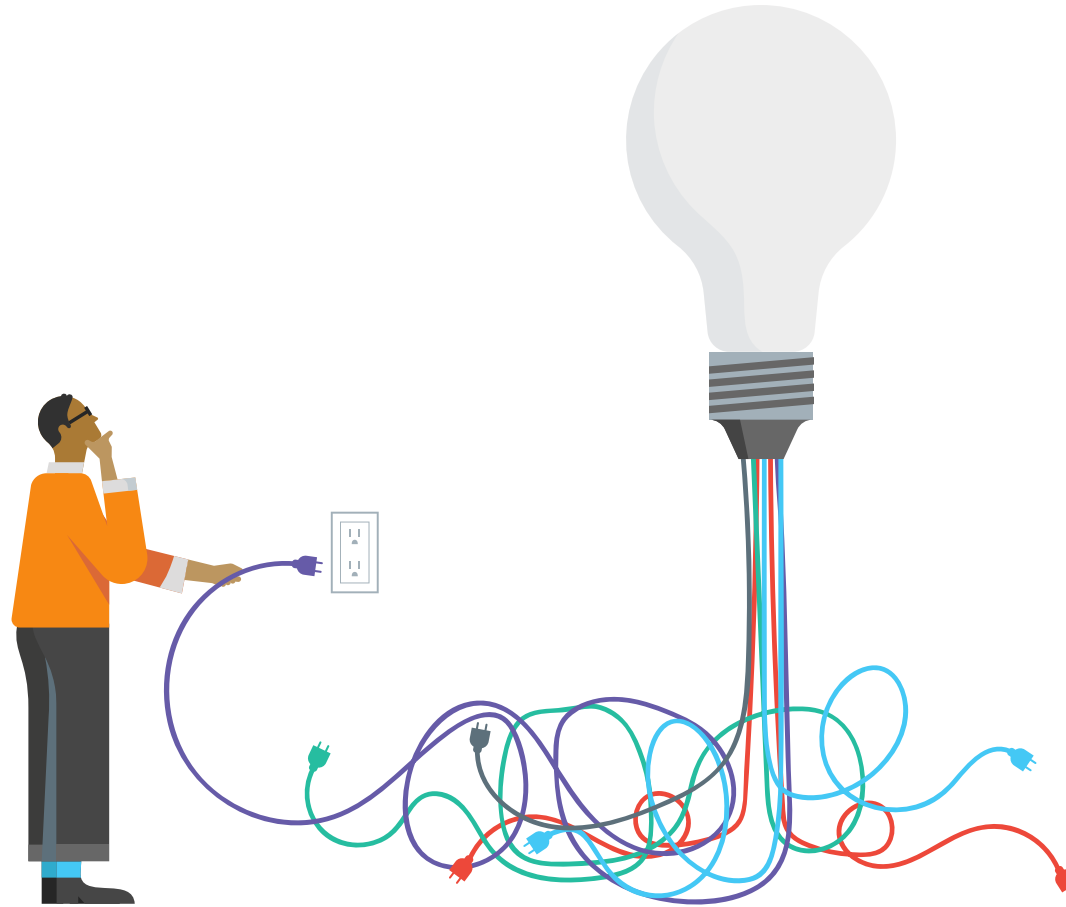
Source: <https://donorbox.org/nonprofit-blog/nonprofit-storytelling-guide/>

Your Storytelling Mission

- Select and analyze an audience
- Write a financial story with a clear, compelling call to action for that audience.



Reflections or questions?



We want to hear from you!

Our next training is scheduled on Tuesday, May 13th at 12pm PST

Please take 3 minutes to complete the below survey to provide feedback and to determine the next training's topic



Thank You!

nff.org

@nff_news

@NFFSocialImpact

Bre Onna Mathis

bmathis@nff.org

Emma Calvert

ecalvert@nff.org

Mariesa Kubasek

mkubasek@nff.org



Appendix

More Tools & Resources at NFF.org

- [Full Cost](#) Resources Page
- [How to Craft Your Organization's Financial Story](#) Article and Resources
- [Fundraising Guide for Nonprofits](#) Article and Resources
- [Making Your Budget the Backbone of Your Nonprofit](#) Blog Series
- [Nonprofit Financial Management Webinar](#) Series & Companion Workbooks
- [2025 State of the Nonprofit Sector](#) Survey

What Conversations Are You Having?

What Questions Are You Asking? Being Asked?

Talk to your funders and host institutions:

- Understand the financial impact of today's evolving reality on your business model and share the specific needs you have

Talk to your board:

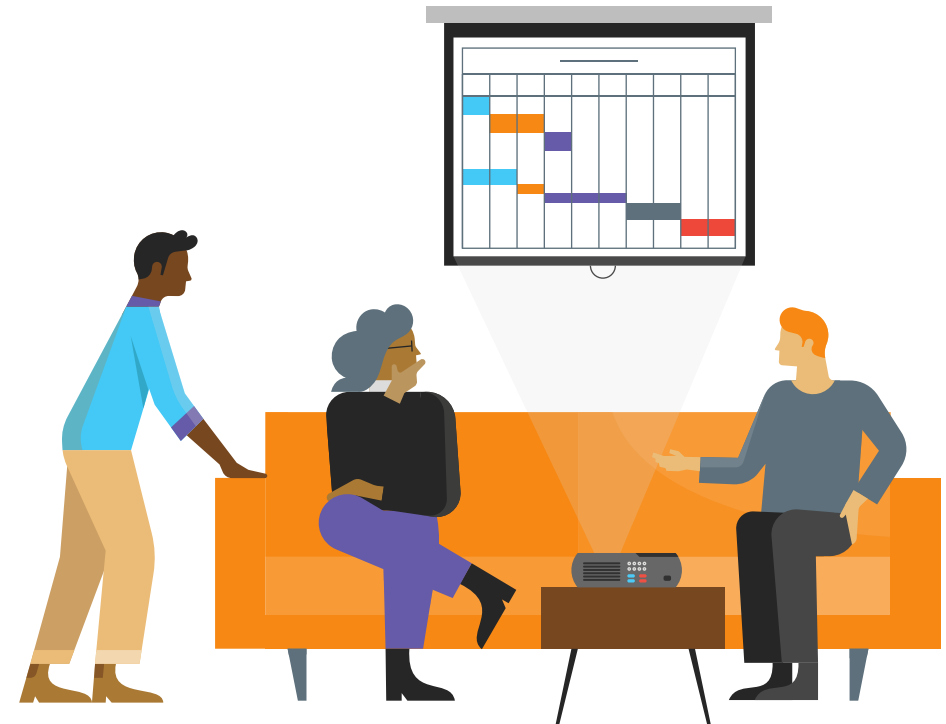
- Outline organizational priorities
- Discuss how you might use reserves or debt to support short- and long-term needs

Talk to your staff:

- Discuss personal and professional impact
- Keep everyone up to date on staffing plans

Talk to your community/members:

- Discuss how your services and collaboration may need to change to respond to community/member needs



Example: How Events Affect the Mission and Request for Action (Staff)

- 1) **Lead with mission**

Since 2000, Awesome Organization has **demonstrated improvements in classroom behavior and attendance**. We have also successfully grown our mission in advocacy, transforming the Corridor.
- 2) **What happened?**

City-mandated Covid-19 closures interrupted programs. This, combined with the cancellation of our gala, resulted in a **50% loss in revenue**.
- 3) **How did you respond?**

We worked quickly to put education programs online. We translated Covid-19 materials for local communities. We asked gala attendees to convert advance commitments into donations and have changed it into a giving drive, **which closed the gap by 25%. We secured the PPP loan**.
- 4) **Effect on mission?**

Your quick actions allowed us to deepen community relationships and avoid drastic reductions in our operations. I think we've gotten closer as a team. I have heard great ideas from you on how we can build. I really appreciate how adaptable you've been.
- 5) **What do you need?**

We need to ask ABC Foundation to release restrictions on the grant. **Could you share the budget progress to-date** for XYZ program, based on what we know today? Without a release, we may need to give some of the funds back or be unable to spend it until next year. This will also help me with scenario planning.

Example: How Events Affect the Mission and Building Consensus (Staff)

- 1) **Lead with mission**

Thank you for all your hard work to keep our programs running during the pandemic. It's because of **your dedication and know how** that our we have been able to respond in the way we did.
- 2) **What happened?**

As you know, the city-mandated Covid-19 closures interrupted programs and combined with the cancellation of our gala, resulted in a **50% loss in revenue**.
- 3) **How did you respond?**

We worked quickly to put education programs online. We translated Covid-19 materials for local communities. We asked gala attendees to convert advance commitments into donations and have changed it into a giving drive, which **closed the gap by 25%**. We secured the PPP loan.
- 4) **Effect on mission?**

Your quick actions allowed us to deepen community relationships and avoid drastic reductions in our operations. I think we've gotten closer as a team. I have heard **great ideas from you on how we can build our impact**. I really appreciate how adaptable you've been.
- 5) **What do you need?**

As you know, we have had to dip into our reserves to cover the unexpected costs brought on by COVID. It means that we are less able to absorb any further disruptions to our work. **We need to replenish those reserves to shore up our financial health** rather than invest in program expansion right now.

Example: How Events Affect the Mission and Request for Working Capital (to Funders)

- 1) **Lead with mission**
Over the past 5 years, XYZ Organization has more than **doubled in size**. Through our arts and cultural work in schools, we have **demonstrated improvements in classroom behavior and in attendance rates**.
- 2) **What happened?**
As we've grown, our **cash flow has increased in volume**. In 2014, having 2 months of cash meant \$250K. By 2018, it meant \$600K.
- 3) **How did you respond?**
While we have posted a surplus each year, those cumulative surpluses have not been enough to grow our cash reserves as much as we need. **Concerted efforts have gotten us to \$300K in reserves**.
- 4) **Effect on mission?**
If we hadn't gotten to \$300K, we would have had to walk away from expansion. Even now, **cash flow management takes a lot of energy from leadership and is hindering our ability to stabilize and innovate**.
- 5) **What do you need?**
General operating support to help us manage the financial implications of our growth is critical for us to sustain our growth and impact. **We need at least another \$300K to increase our cash reserves to \$600K and free up our time to focus on delivering our critical impact**. Can you help us make that happen?

Example: How Events Affect the Mission and Request for Working Capital (to Board)

- 1) **Lead with mission** Over the past 5 years, XYZ Organization has more than **doubled in size**. Through our arts and cultural work in schools, we have **demonstrated improvements in classroom behavior and in attendance rates**.
- 2) **What happened?** As we've grown, our **cash flow has increased in volume**. In 2014, having 2 months of cash meant \$250K. By 2018, it meant \$600K.
- 3) **How did you respond?** We have been able to set aside \$25K per year for the past two years to help us **grow our reserves to \$300K**, equal to 1 month of expenses at our current size.
- 4) **Effect on mission?** **Cash flow management takes its toll on leadership and is hindering our ability to stabilize and innovate.**
- 5) **What do you need?** We've talked to funders about general operating support, which we could use to increase our reserves. However, we also want to explore accessing a line of credit to help us navigate short-term cash flow issues. We invite your suggestions for who we should reach out to; **do you have any connections to the local banking community?**

Example: How Events Affect the Mission and Request for Working Capital (to Board)

- 1) **Lead with mission**

Over the past 5 years, XYZ Organization has more than **doubled in size**. Through our arts and cultural work in schools, we have **demonstrated improvements in classroom behavior and in attendance rates**.
- 2) **What happened?**

Our **average monthly expenses are now \$300K (in 2014 they were \$125K)**. Given our size, we need insight into our invoices and reimbursements so we can make sure we have the necessary cash in our bank accounts.
- 3) **How did you respond?**

With our accounting team, we have **initiated a 30-day receipt submission process** and we are asking everyone to contribute to this effort.
- 4) **Effect on mission?**

Cash flow management can distract leadership from our goals and strategy, and we want to be proactive to avoid this.
- 5) **What do you need?**

If all staff submit invoices to be paid or receipts to be reimbursed within 30 days, our cash flow projections can be updated accordingly, and leadership will have a more accurate view into cash flow for the year.

Example: Connect Your Impact to Your Ask for Growth Investment (Funders)

- 1) **Name the outcome**

We are building a **widely adopted, comprehensive way for health care providers to connect patients** to needed social services and track needs across the county. Right now, although social factors significantly impact health outcomes and spending, the connections between healthcare, patients, and social services are lacking.
- 2) **Services provided?**

For nearly 21 years, we have provided **phone and web-based referrals and one-on-one care coordination services**. We make many of these referrals through the Community Information Exchange, a cloud-based platform that enables providers to understand a client's interactions with health and community services.
- 3) **Track record?**

Between August 2018 and April 2019, we **answered more than 206,000 calls and made more than 223,000 referrals to 1,200 community service providers**. We actively engage with our community partners to increase participation in the Exchange to promote better outcomes.
- 4) **Effectiveness of approach?**

Our early results have been promising. For clients with a history of frequent emergency room visits, there was **a 26% reduction in emergency calls**. Additionally, clients connected to the Exchange were **more likely to remain housed compared to those who were not enrolled**. Our next step is to increase the number of community organizations who use the Exchange.
- 5) **What do you need?**

With an investment of \$150,000, we will be able to hire two new outreach managers during FY21. With the new capacity, we will be able to onboard 20 organizations currently on our wait-list and increase our outreach efforts to community partners working with at-risk individuals. Starting in FY22, we will be able to cover their salaries with these increased membership fees. **Are you able to partner with us in this opportunity to expand our work?**