

Thrive: Non-Profit Success Stories from Barnes Dennig #2 | International Non-Profit with New Lines of Business & New Revenue Streams

Patrick Frambes & Christa Woelfel

Patrick Frambes:

This other client that we worked with is a I'd say internationally reaching organization but they have US operations here locally and have just begun to expand their operations, bringing on new entities, creating new entities to provide different types of services. They've also acquired a real estate business that they're now the landlords of, and they'd never had to account for that type of activity before. So I know if you want to kind of talk through that process and what we did to help them consolidate, get into these new lines of business, be able to get their financial reporting accurate.

Christa Woelfel:

Absolutely, yeah. So for them like you said they've been expanding a lot the past few years, especially just growing like crazy, which is great, and they do help international. So in the past maybe two years ago they had a couple new entities that had their own specific mission but it was all non-profit based. But most recently they did acquire a real estate landlord company, so it's the building that they're working in, still they're the sole owner but it is rental income. So we helped them work through that, the accounting of it, and then also the tax implications of that since they're not used to having that source of income. So we did walk through that with them.

They've also just been growing so they've been putting more money into investments to help it grow. They have endowments now, so we helped walk them through all of that, gave them some templates on how to track that monthly just to keep it cleaner going forward. And then their endowments, tracking the donor restrictions on that versus any board designations they may have in the future. And another thing is just all their intercompany activity since they're getting more and more entities, we did walk through that with them just to make sure that all stays clean. Give them a template there to do again on a monthly basis, keep track of all that, making sure any of their do to, do froms, they are being tracked.



Patrick Frambes:

Yeah, that's great. I think that makes their lives a lot easier when they're doing things routinely, not waiting for the audit time to get these accounting transactions down, so I know you've done a great job of giving her the templates to be able to utilize those and just be able to keep up on things on a monthly basis and do them accurately. On the real estate side I think they had gotten advice for more tax basis of accounting rather than a GAAP basis of accounting so having to help her with that transition I think was beneficial her as well.

Christa Woelfel:

Definitely. And even as the other entities grow I know talked with her on some best practices going forward so that it just stays clean for them as they continue to get new sources of income and new items with donor restrictions and things like that.

Patrick Frambes:

Yep, absolutely. And one thing with this client I was just thinking of was that they're an international reaching organization so they send a lot of money overseas and one thing we've kind of helped them with or recommended in the past was to do some internal auditing of that money that went overseas to make sure it was being utilized correctly. I don't know if you had any experience working with them on that, maybe what kind of feedback they gave us.

Christa Woelfel:

Yeah. So I know we started doing that testing at first, kind of the international grant testing, and then they picked up that recommendation from us to do kind of an internal audit of a few sites a year or one site a year at least. They did get a really good process in place for that, COVID put a little bit of a damper on it, but I know they've revamped that process a little bit in the past year too and they're going to start that back up, which is great.

Patrick Frambes:

Great. And the one final thing that always makes me happy to go to this client is that the field work is always on her birthday.

Christa Woelfel:

Yes, we get donuts.

Patrick Frambes:

The controller's birthday, so we always make sure to get her donuts at her favorite donut shop.



Christa Woelfel:

Yep, Bonnie Lynn Donuts.

Patrick Frambes:

Yep, Bonnie Lynn, so it's always a good time and I know she appreciates that, us doing that personal thing for her, so.

Christa Woelfel:

Yeah.