



Welcome and Introduction

**We're glad you're here. The
seminar will begin shortly.**



Accounting Standards Update

Matthew Hutt, CPA, CGMA

Jennifer A. L'Heureux, CPA



Meet the Speakers



Matthew Hutt
CPA, CGMA
Partner



Jennifer A. L'Heureux
CPA
Director



Agenda

What's new?

- CECL update (ASU 2025-05)
- Single audit updates
- Crypto update (ASU 2023-08)

What's challenging?

- ASC 958 (conditional grants vs restricted grants)
- 842 leases, post implementation review
- Big picture merger accounting

What's next?

- HIPPA security rule updates (proposed)
- New UFR filing process
- Exposure drafts

Polling Question

**What areas do
you find
challenging?**



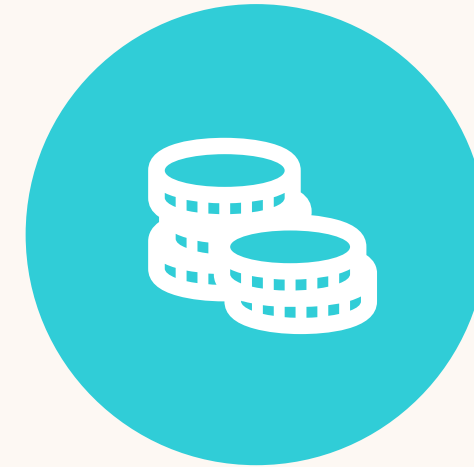
What's new?



CECL Update
(ASU 2025-05)



Single Audit
Updates



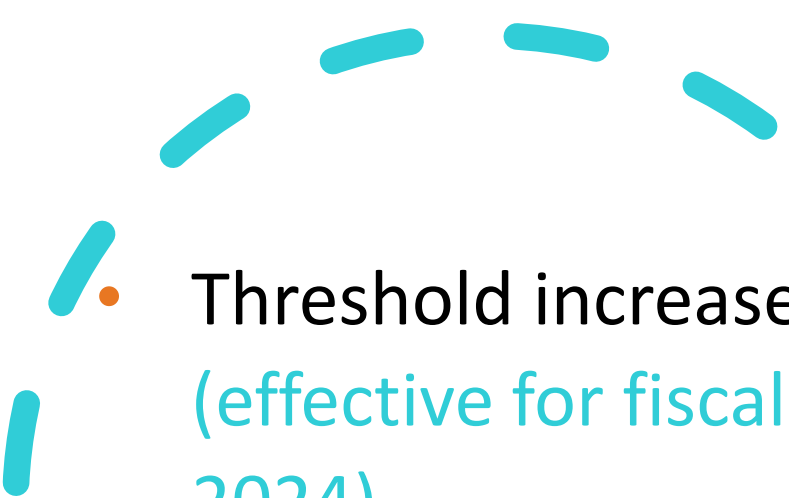
Crypto Update
(ASU 2023-08)

CECL Update – ASU 2025- 05

Practical Expedients

- Companies may elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset.
 - *Removes the complex and costly requirements of analyzing macroeconomic data when making forecasts.*
- Private companies are permitted to make an accounting policy election to consider cash collection activity after the balance sheet date when estimating expected credit losses.
 - *No longer required to assess credit losses for receivables and contracts assets that are knowingly collected after balance sheet but prior to issuance of report.*

Effective for annual reporting periods beginning after December 15, 2025 (CY 2025 and FY 2026)

- 
- Threshold increased from \$750,000 to \$1,000,000 (effective for fiscal years beginning after October 1, 2024)
 - Threshold for capital assets acquired with federal awards – increased from \$5,000 to \$10,000 (effective for grants awarded on or after October 1, 2024)
 - Federal funding “de minimis” indirect cost rate increased from 10% to 15% (effective for grants awarded on or after October 1, 2024)
 - Micro-purchase threshold increased from \$10,000 to \$15,000; simplified acquisition threshold increased from \$250,000 to \$350,000 (applies to any procurement made after October 1, 2025)



Single Audit Update

ASU 2023-08 - Crypto Assets



Allows certain digital assets to be subsequently measured at fair value, with changes in net assets.

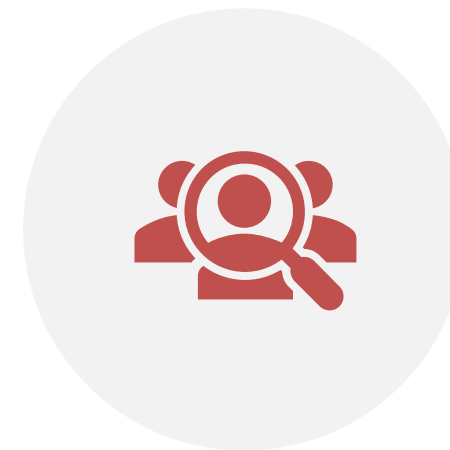


Effective for fiscal years beginning after December 15, 2024. (CY 2025 and FY 2026)

** early adoption is permitted



Early adoption is permitted if financial statements have not been issued or available for issuance.



Modified retrospective transition with a cumulative-effect adjustment to the opening net assets as of the beginning of the year of adoption.

What's challenging?



ASC 958 (Conditional Grants vs Restricted Grants) Refresher



ASC 842 *Leases*, Post Implementation Review



Big Picture Merger Accounting

ASC 958 – Conditional Grants vs Restricted Grants

Conditional Grant / Contribution

A contribution that contains one or more barriers that must be overcome and a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets

Key elements

- ✓ There is a barrier (for example, performance requirements or measurable outcomes).
- ✓ There is a right of return or release if the condition is not met

Restricted Grant / Contribution

A contribution that is subject to donor-imposed restrictions.

Key elements

- ✓ The donor limits how or when the funds can be used.
- ✓ There is no barrier to entitlement—the organization already "owns" the funds.

A Promise to Give a "Pledge"

A written or oral agreement to contribute cash or other assets to another entity

Key elements

- ✓ There are both conditional and unconditional promises to give.
- ✓ Best practice is to have a written pledge policy that is consistently followed

VS



“This award of \$100,000 is contingent upon the Organization completing the workforce training program serving at least 200 participants by December 31, 2026. If these conditions are not met, the Foundation reserves the right to rescind the award and require return of any funds advanced.”



“We are pleased to award your organization \$100,000 to support your 2026 workforce training program. These funds are restricted for use in program-related expenses incurred between January 1 and December 31, 2026.”



“We pledge to contribute \$250,000 to your capital campaign, payable upon your organization securing at least \$1 million in matching contributions from other donors. This commitment is contingent upon meeting that fundraising goal and will be released only once the condition is satisfied.”



“We are pleased to pledge \$250,000 to your organization’s capital campaign, payable in two annual installments of \$125,000 beginning in 2026. This pledge is intended to support construction of the new community center.”



“This grant of \$150,000 will support your youth mentoring program. Payments will be made in two installments upon submission of semiannual progress reports outlining program activities and participant outcomes.”

Leases – ASC 842 – Post-Implementation Review Summary

FASB conducted a **Post-Implementation Review (PIR)** of ASC 842, the new lease accounting standard to assess **effectiveness, challenges, and areas needing clarification** after adoption.

Key Findings

- Most entities successfully implemented the standard
- Common challenges identified:
 - Lease classification and judgment areas
 - Variable lease payments and reassessments
 - System and data collection complexities
- Financial statement impact generally as expected
- Some disclosure requirements were found burdensome or unclear

Leases – ASC 842 – Post-Implementation Review Summary

Recommendations/Next Steps

- FASB considering targeted clarifications and simplifications
- Guidance may address:
 - Lease modifications
 - Embedded leases
 - Practical expedients for lessees

What This Means for Organizations

- Continue monitoring guidance updates.
 - Ensure processes and systems are fully aligned.
 - Review internal controls and lease documentation for efficiency and compliance
- ASC 842 adoption is largely successful, but FASB may issue **targeted updates** to clarify challenging areas and simplify ongoing compliance.

Non-Profit Mergers

Merger of Non-profit Entities

A *merger of non-profit entities* is a transaction or other event in which the governing bodies of two or more non-profits cede control of those entities to create a new non-profit entity. To *cede control* requires that the merging entities not retain shared control of the new entity. To qualify as a *new entity*, the combined entity must have a newly formed governing body; a new entity often is, but need not be, a new legal entity.

- Called the “Carryover Method”
- Financial Reporting
 - Assets and liabilities should be measured as of the merger date at the same amounts reported within the merging entities FS
 - Classifications and designations for the merging entities assets and liabilities shall remain the same

Non-Profit Mergers

Acquisition by a Non-profit Entity

An **acquisition by a non-profit entity** is a transaction or other event in which a non-profit acquirer obtains control of one or more nonprofit activities or businesses and initially recognizes their assets and liabilities in the acquirer's financial statements.

- Called the “Acquisition Method”
 - A non-profit shall account for each acquisition of a business or non-profit activity by applying the *acquisition method*. The *acquisition method* is the same as the acquisition method described in Statement 141(R) under the Business Combinations ASU. But it entails:
 - Identifying the acquirer
 - Determining the acquisition date (date in which control of the other entity is obtained)
 - Recognizing and measuring the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree
 - Recognizing and measuring goodwill or the contribution received.
 - The acquirer shall measure the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at their acquisition-date fair values.

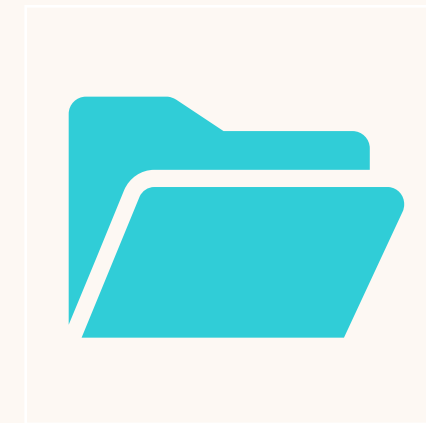
What's next?



HIPAA Security Rule
Updates (Proposed) –
What You Need to Know



New UFR Filing
Requirements



Exposure Drafts

- Internal use software
- Financing lease receivables
- Credits loss changes

HIPAA Security Rule Updates (Proposed)

What You Need to Know

Key Changes

- All security safeguards are now **required** (no more “optional”)
- **More documentation** of policies, risks, and actions
- Maintain a **current inventory of systems + data flows**

Stronger Risk & Response Requirements

- Perform **regular risk assessments** (identify threats & vulnerabilities)
- **Respond faster to issues** (Access changes → within **24 hours** and System/data recovery → within **72 hours**)
- Conduct a **mandatory annual compliance audit**

Higher Cybersecurity Standards

- Use **multi-factor authentication (MFA)**
- Implement **anti-malware protection**
- Perform vulnerability scans (**every 6 months**) and Penetration testing (**annually**)
- **Encrypt all sensitive data** (stored & transmitted)

Vendor Accountability

- Third parties must **prove compliance yearly**
- Must **notify you within 24 hours** of incidents

Bottom Line

Stronger security, faster response, and greater accountability are now expected across all organizations handling patient data.

Timeline

Expected to be finalized mid-2026
Typical timeline once finalized:

- Effective date – about 60 days after publication
- Compliance required – about 180 days after the effective date

New UFR Filing Requirements

No Issued Changes Yet

What to Expect

- New e-filing system anticipated to be released July 1, 2026 to be effective beginning with June 30, 2026 year-ends
- Ongoing refinements (not a full redesign)
- Greater alignment with state contracting mode and funding and program structures

Likely Areas of Focus

- Simplification of reporting requirements
- Continued updates to specific schedules (e.g., Schedule B)
- Improved consistency and standardization across filings

What This Means

- Expect gradual changes year over year
- No immediate large-scale implementation required
- Stay current with annual UFR manual updates and guidance

Bottom Line: UFR changes are expected to be **evolutionary, not disruptive** — with a focus on simplification and alignment over time.

Polling Question

Do you need support
from your AAFCPAs
team on any of the
following topics?



Internal-Use Software (IUS) – Exposure Draft (Proposed ASU) (Subtopic 350-40)

What is this?

- Updates accounting for internal-use software which aims to simplify and modernize software accounting, with possible impacts on expense timing and financial results
- Addresses gaps related to cloud computing and agile development

Key Proposed Changes

- Expands which software development costs can be capitalized
- Aligns guidance with agile / iterative development approaches
- Clarifies treatment of cloud/SaaS implementation costs
- Simplifies project stage definitions

Internal-Use Software (IUS) – Exposure Draft (Proposed ASU) (Subtopic 350-40)

Why this matters?

- Potential for more capitalization (less expense upfront)
- Improves consistency across organizations
- Better reflects modern technology practices

What to watch?

- Effective date TBD
- May require policy and process updates

Financing Lease Receivables – Exposure Draft (Proposed ASU) (Subtopic 842-30)

What is this?

- Updates guidance for lessors' accounting of financing lease receivables
- Focuses on improving consistency, transparency, and presentation in financial statements

Key Proposed Changes

- Clarifies initial measurement of financing lease receivables
- Refines guidance on interest income recognition over the lease term
- Addresses modifications, impairments, and variable payments
- Improves disclosure requirements to provide more useful information to investors

Financing Lease Receivables – Exposure Draft (Proposed ASU) (Subtopic 842-30)

Why this matters?

- Ensures consistent accounting treatment across lessors
- May affect income timing and balance sheet presentation
- Enhances transparency for financial statement users

What to watch?

- Effective date TBD
- Companies may need to update lease accounting policies, systems, and reporting templates

Credit Losses – Exposure Draft (Proposed ASU) (Subtopic 326)

What is this?

- Updates guidance for measuring and reporting expected credit losses on financial assets (not only short-term receivables)
- Focuses on simplifying implementation, improving transparency, and reducing operational burden simplify CECL application while maintaining robust credit loss measurement

Key Proposed Changes

- Provides practical expedients for short-term receivables
- Clarifies forward-looking forecast requirements
- Refines risk assessment and documentation standards
- Streamlines disclosures and reporting for financial institutions and other lenders

Credit Losses – Exposure Draft (Proposed ASU) (Subtopic 326)

Why this matters?

- May reduce volatility in credit loss allowances for some assets
- Simplifies compliance with CECL framework
- Enhances consistency and transparency for investors and regulators

What to watch?

- Effective date TBD
- Companies may need to update policies, models, and documentation processes

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Questions?

Contact Us

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Insights From Our Consulting Attorneys: Navigating Advocacy and Risk

Joshua England, LLM, Esq.
Chris Consoletti, Esq.



Meet the Speakers



Joshua England
LLM, Esq.
Partner & Tax Attorney



Chris Consoletti
Esq.
Consulting Attorney, Director



Navigating Advocacy and Risk



What is lobbying?




Is a 501h election worth it?



What if we want to do more lobbying?



Is your 501c3 status at risk?



What is
lobbying?

What is lobbying?

Direct Lobbying

Communication with a legislator that expresses

- A view about specific legislation

Grassroots Lobbying

Communication with the public that expresses

- A view about specific legislation
- Includes a call to action

- ★ It is not lobbying if one or more of the required elements above are missing.



Restriction of Political Campaign Intervention



All 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of, any candidate for elective public office.



Contributions to political campaign funds or public statements of position, verbal or written, made on behalf of the organization in favor of or in opposition to and candidate may result in revocation of tax-exempt status and excise taxes.




Other 501c types can do this, but it cannot be primary activity.

Direct Lobbying

Communication

- A conversation, which is in person, or by phone, letter, email, fax, or any other method to convey a message.
 - Social media post
- This does not include providing technical advice or assistance to a government body in response to a written request.



Legislator




A member of a legislative body or their staff.



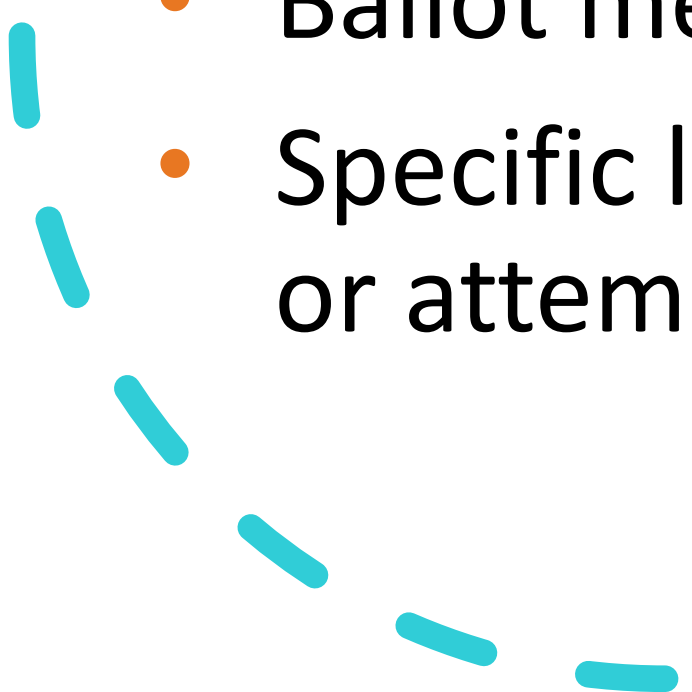
Executive branch officials who participate in the formulation of legislation (Governors, mayors, etc.)



There is some uncertainty as to whether members of administrative bodies count as legislators under the definition of lobbying.



Expresses a View About Specific Legislation

- A bill or resolution that has been introduced in a legislative body or specific proposal.
 - Might include budget appropriations, taxes or attempts to influence the confirmation of judicial and executive branch nominees.
 - Ballot measures are considered direct lobbying.
 - Specific legislation **does not include** executive orders, litigation, or attempts to enforce existing laws.
- 



Grassroots Lobbying

Attempting to affect opinion of General Public

Anyone but a legislator or member of an organization

Expressing view with respect to specific legislation

Same here as direct lobbying

Call to Action

Specific Means of Encouraging the Communication's
Recipient to Take Lobbying Action



Must Include

Tell the recipient to contact a legislator.

Provide information on how the recipient can contact them.

Provide a way to enable the recipient to contact their legislator.

Identify a legislator who will vote on the legislation.



What is **NOT**
lobbying?

Nonpartisan Analysis, Study, or Research

Communication must provide a full and fair exposition of the underlying facts.

- Must be made available to the general public.

Should provide enough information to allow readers to draw their own conclusion about the issue.

- Analysis can contain a specific conclusion
 - e.g., A paper discussing need for health care to low-income families with recommendation for increased funding in the area.

Responses to Written Requests for Assistance



Communication must be in response to a written request by a legislative body, committee, or subcommittee



Report must be made available to all members of requesting body



Examples could be director of a charity testifying in court in support of a specific bill



Challenges to or Support for Legislative Proposals that Could Affect Organization



Should a proposal from a legislative body threaten the existence, powers, duties, tax-exempt status, or deductibility of contributions to organization be brought forward, the public charity would be allowed to directly lobby against it without that counting towards the lobbying limits.



This would fall under the self-defense exception.

Discussions of Broad Social or Economic Issues

Communications on general topics which are the subject of specific legislation

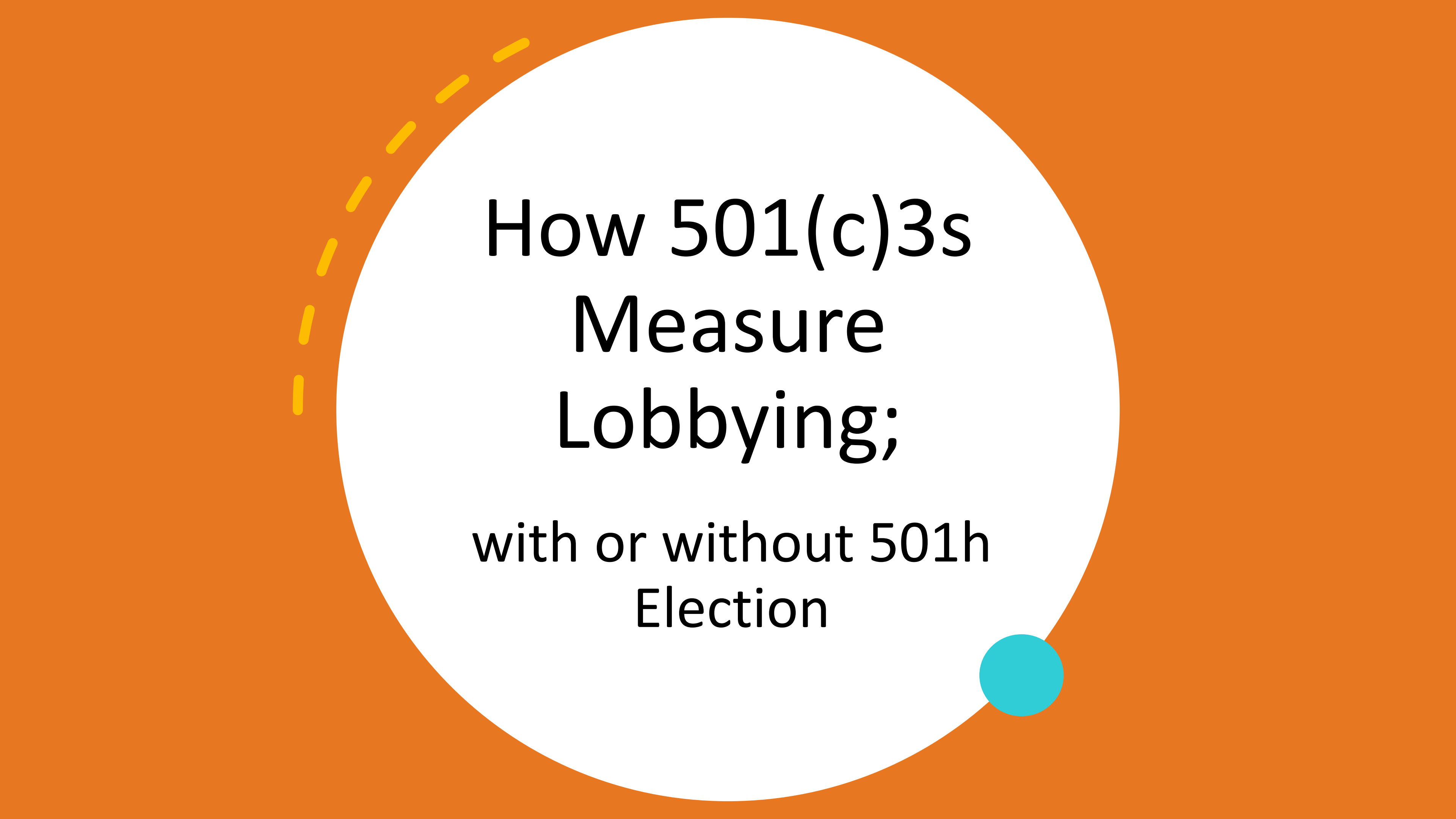
- Must not refer to specific legislation or directly encourage the recipients to take action



Polling Question

How does your organization currently track time spent on lobbying activities?





How 501(c)3s Measure Lobbying;

with or without 501h
Election

Measuring Lobbying: Substantial Part Test

The default test that applies if your organization does not make 501(h) election

The test measures whether the organization's attempt to influence legislation constitutes a substantial part of its' overall activities

- Includes both time devoted
- Expenditures devoted to activity

The IRS has provided not absolute guidance on what is "substantial"

Should an organization be found to conduct excessive lobbying under this test is at risk to lose their exempt status

Measuring Lobbying: Expenditure Test

- This is a one-time election made at any time during the tax year for which it is to be effective
 - Made by completing IRS Form 5768
 - Only needs to be filed once
 - Can be revoked by filing the same form
- The 501(h)-expenditure test defines a clear dollar amount that the charity may spend on lobbying
- The test only considers expenditures, and not such activities as volunteer time


Measuring Lobbying: Expenditure Test

If the amount of exempt purpose expenditures is:	Lobbying nontaxable amount is:
$\leq \$500,000$	20% of the exempt purpose expenditures
$> \$500,000$ but $\leq \$1,000,000$	\$100,000 plus 15% of the excess of exempt purpose expenditures over \$500,000
$> \$1,000,000$ but $\leq \$1,500,000$	\$175,000 plus 10% of the excess of exempt purpose expenditures over \$1,000,000
$> \$1,500,000$ but $\leq \$17,000,000$	\$225,000 plus 5% of the exempt purpose expenditures over \$1,500,000
$> \$17,000,000$	\$1,000,000

Measuring Lobbying: Expenditure Test

Grassroots lobbying;

- An electing organization may spend up to a quarter of its overall lobbying limit on grassroots lobbying
- There are two schools of thought as to which test is better;
 - Substantial part test has no clear guidance, so there are no clear limits on how much lobbying is too much;
 - The expenditure part test is much easier to calculate, but there are strict limits of how much lobbying is allowed.




What if we
want to do
more
lobbying?

Affiliated 501(c)(3) and 501(c)(4)

Using a structure of affiliated 501(c)(3) and 501(c)(4) organizations can be a powerful means of enhancing impact and furthering an organization's mission through unlimited lobbying.

- 501(c)(3) organizations can accept deductible charitable contributions but have restrictions on their activities.
- 501(c)(4) organizations have broader latitude, but contributions are not deductible.



Affiliated 501(c)(3) and 501(c)(4)

Often Set up During a Long-term Lobbying Campaign

- 501(c)(4) can conduct unlimited lobbying

Both Organizations Must be Separate Legal Entities


- Separate bank accounts, unique board members, separate and distinct bylaws and organizational documents
- Separate 990 filings
- Can share staff and office space, but each organization must pay its share of salary, equipment costs, etc.

Affiliated 501(c)(3) and 501(c)(4)

Grants from 501(c)(3) to 501(c)(4)

- The grant must be used exclusively by 501(c)(4) for exclusively 501(c)(3) purposes
- If the grant is used by the 501(c)(4) for their lobbying, it will count against 501(c)(3)s lobbying limits
- Should not be used for 501(c)(4) for fundraising costs
 - Avoids impermissible uses

Grant Should Have Accompanying Grant Agreement



Affiliated 501(c)(3) and 501(c)(4)


Loans or Grants from 501(c)(4) to 501(c)(3)

- No restrictions on the money
- Can be used for any or all of 501(c)(3)s lobbying, research, or any other purpose


Grant agreements are always a good idea but less crucial for this type as there are little to no restrictions on the money.

501(c)(4) Organization Political Campaign Intervention

- Permitted, provided such activity does not constitute the primary purpose of their organization, to supplement their lobbying and policy engagement with political activities.
 - Prohibited for 501(c)(3)s.



Is your
501(c)3
status at
risk?



Could our 501(c)(3) status be at risk?

- An organization that wants to do some lobbying, under the limits, is safe if:
 - Make the 501(h) election
 - Stay under the limits
- If the organization wants to conduct unlimited lobbying, they could create an affiliated 501(c)(4) organization to do the lobbying.



Questions?

Contact Us

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Elevating Risk Management: Creating a Proactive & Dynamic ERM Culture

Lisa Whittemore, CFE, CRMA, MBA
John Buckley, CPA, CGMA



Meet the Speakers



Lisa Whitemore
CFE, CRMA, MBA
Partner, Risk Advisory



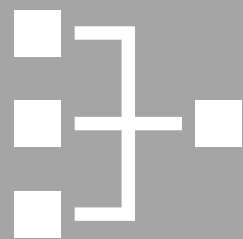
John Buckley
CPA, CGMA
Partner



Enterprise Risk Management: *What is it?*



Enterprise Risk Management (ERM) is a strategic initiative that helps organizations identify, assess, prioritize, and mitigate risks that could impact their ability to achieve their objectives and mission.



An ERM program provides a framework to safeguard resources, ensure operational stability, and enhance decision-making.



Enterprise Risk Management: *Why does it matter?*

A well-established ERM program:

- Enables the proactive identification of legal, regulatory, and compliance risks before they escalate.
- Strengthens governance and oversight, aligning risk insights with board expectations.
- Enhances the organization's ability to respond effectively to crises, investigations, and emerging risks.
- Provides a formal, documented approach to risk management, reducing exposure and demonstrating due care.

Polling Question

How would you describe
your organization's current
approach to enterprise risk
management (ERM)?



Setting a Risk Aware Culture

Tone at the Top



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graph TD; A[Tone at the Top] --> B[Shared Ownership of Risk]; B --> C[Open and Safe Communication]; C --> D[Mission-Aligned Decision Making]; D --> E[Continuous Learning and Improvement];
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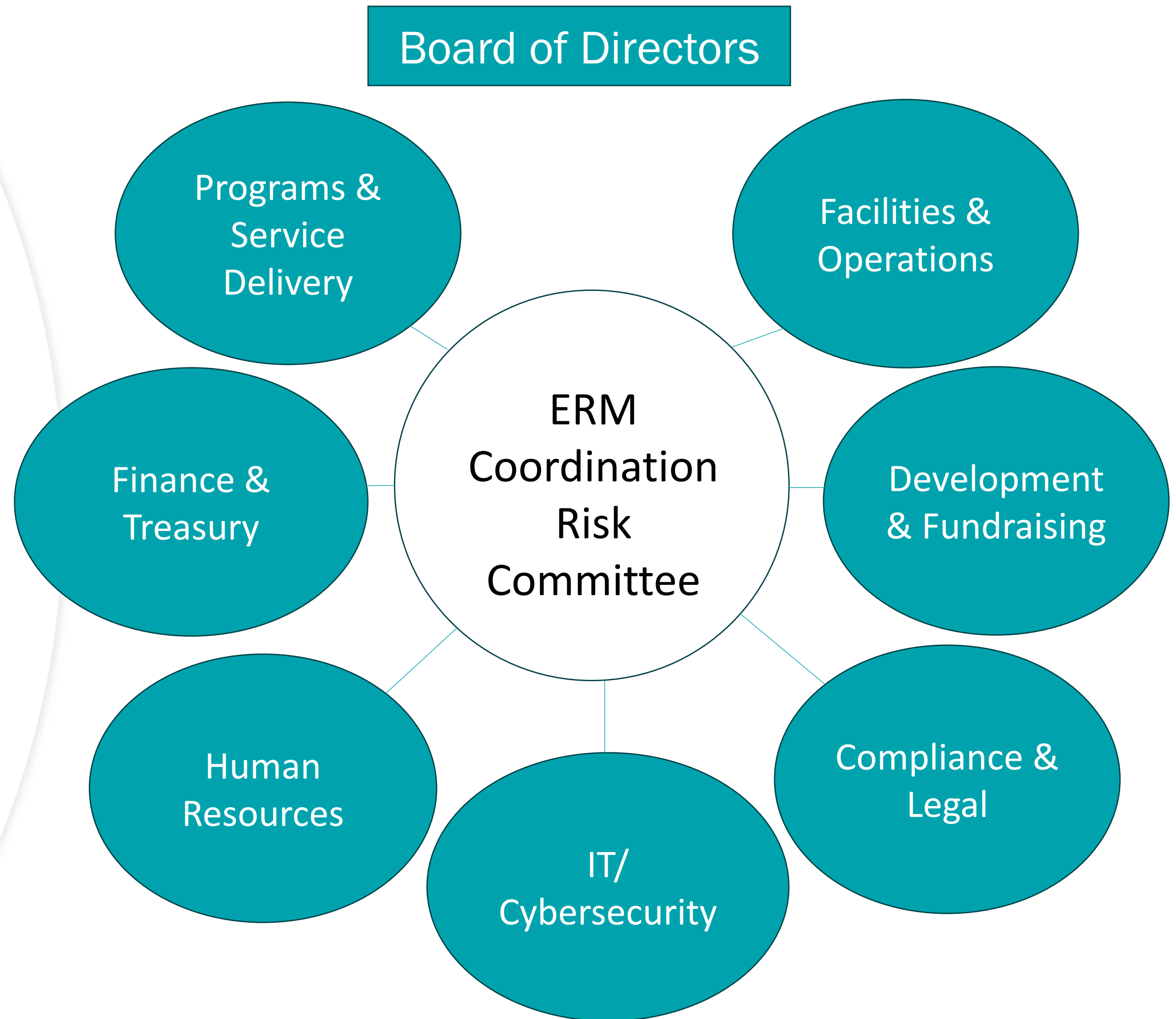
Shared Ownership of Risk

Open and Safe Communication

Mission-Aligned Decision Making

Continuous Learning and Improvement

*Who
owns it?*



How to Get Started



ERM is a journey—not a one-time exercise.

Risk Domains:

What kind of risk is this?

Financial Risks	Operational Risks	Regulatory and Compliance Risks	Strategic Risks	Reputational Risks
Funding Volatility	Staffing Challenges	Healthcare Regulations	Program Sustainability	Public Perception
Grant Compliance	Service Disruptions	Employment Laws	Technology Adoption	Ethical Concerns
Fraud and Mismanagement	Data Security and Privacy	Nonprofit Governance	Partnership Risks	

Polling Question

What may drive your
interest in
strengthening ERM
right now?



Risk Register:

How are we mitigating our risks?

Risk Identification	Risk Mitigation Strategies: Processes, Procedures, and Controls	Testing, Reporting Internal Audit Scope	Monitoring: Internal Audit Frequency
<p>Risk Domain: Financial Risk</p> <p>Fraud and Mismanagement: Weak financial processes and controls over cash, checks, and other assets could lead to misappropriation of funds.</p>	1. Only authorized individuals have access to cash, checks, and other assets.	<p>1. Treasury function and controls identified</p> <p>2. Cash Receipts function and controls identified</p> <p>3. Access to critical systems identified</p>	Annually
	2. Bank account access is restricted.		
	3. A listing of authorized signers for banks is reviewed annually.		
	4. Bank statements are reconciled monthly.		

Risk Dashboard:

How do we keep track of it all?

Risk Area	Risk Description	Impact	Likelihood	Trend	Primary Owner	Current Status
Financial	Funding volatility due to reliance on a limited number of grants and donors	High	Medium	▲ Increasing	CFO	Mitigation in Progress
Operational	Staffing shortages impacting program delivery	High	High	▲ Increasing	COO	Active Management
Regulatory	Risk of noncompliance with grant and regulatory requirements	Medium	Medium	▶ Stable	Compliance Officer	Controlled
Technology/ Cybersecurity	Data security breach disrupting operations and damaging donor trust	High	Medium	▲ Increasing	IT Director	Mitigation in Progress
Reputational	Negative publicity from service disruption or compliance issue	High	Low	▶ Stable	CEO	Monitored

Key Takeaways



ERM is a strategic tool – not a compliance exercise



Not all risk is bad – define your risk tolerance



Risk Management is on-going



Must be an Organization Wide Process



Everyone Owns Risk



Questions?

Contact Us

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Break

**Take a moment to stretch,
hydrate, and refocus.**





Common Finance Processes Nonprofits Are Rethinking

Robyn Leet
Wendy Smith, CPA



Meet the Speakers



Robyn Leet

Partner, Business Process,
Systems & Controls



Wendy Smith

CPA
Consulting CFO, Business
Transformation & Intelligence



Agenda

Processes to
Assess: Before
and After
Snapshots



Where You Can
Find Efficiencies



Let's look at
some
processes.

Chart of Accounts

Before

- Hundreds of accounts
- Grants, campaigns, UFR, projects, etc. embedded in account numbers (strings/cost centers)
- Inconsistent use of dimensions
- Manual fund restriction tracking

After

- Simplified chart with minimal natural accounts
- Grants, programs, projects and restrictions handled via clear dedicated dimensions
- Automated reporting based on dimensions
- Coordinated subledger unable to be out of balance or unrepresented on reports

Grants

Before

- Spreadsheets outside of centralized system
- Infrequent or lack of monitoring against budget
- Allocations and reimbursable expenses manually tracked
- Indirect rates manually attributed
- Restriction releases only done annually
- Inability to report on life of grant across FYEs

After

- All data contained within centralized system
- Constant monitoring by budget managers against spend
- Immediate coding of allocations and expenses to appropriate grant
- Billable functionality at time of spend
- Indirect rates calculated automatically
- Full life cycle reporting

Purchase Orders

Before

- Rarely used
- Thought too cumbersome and time-consuming
- Manually created after services are rendered and rarely input into system

After

- Completed in system by requester
- Simplified coding—don't have to be an accountant
- All approvals and coding completed BEFORE bill, so more timely payments and not chasing coding
- Digital approvals, routings, records
- Use of “blanket POs” to track contract amounts
- All coding transfers right to the bill, so no duplication
- Aids in cash planning, budget monitoring
- Allows for quick payment turnaround

Polling Question

Which finance process feels most strained or overdue for rethinking in your organization?



Collaboration



Before

- Anything with a dollar sign belongs to finance
- Month-end reports too late to react
- No monitoring/ analysis of spend
- Any questions take time from finance

After

- Program/grant/ops managers own their numbers
- Real-time data to monitor budget at time of spend
- Self-service reporting + dashboards + reminders
- No silos—all part of operations

Dashboarding



Before

- Staff do not have insight into their own data
- No direct management of tasks or vision across organization
- No measurements of success or goals
- Time wasted wondering how to get information
- Manual data manipulation and calculations

After

- Continuous interaction with data
- Most important functionalities and information for each type of user at fingertips
- KPIs defined with ability to monitor daily with ease
- Easy access to reporting and drill downs

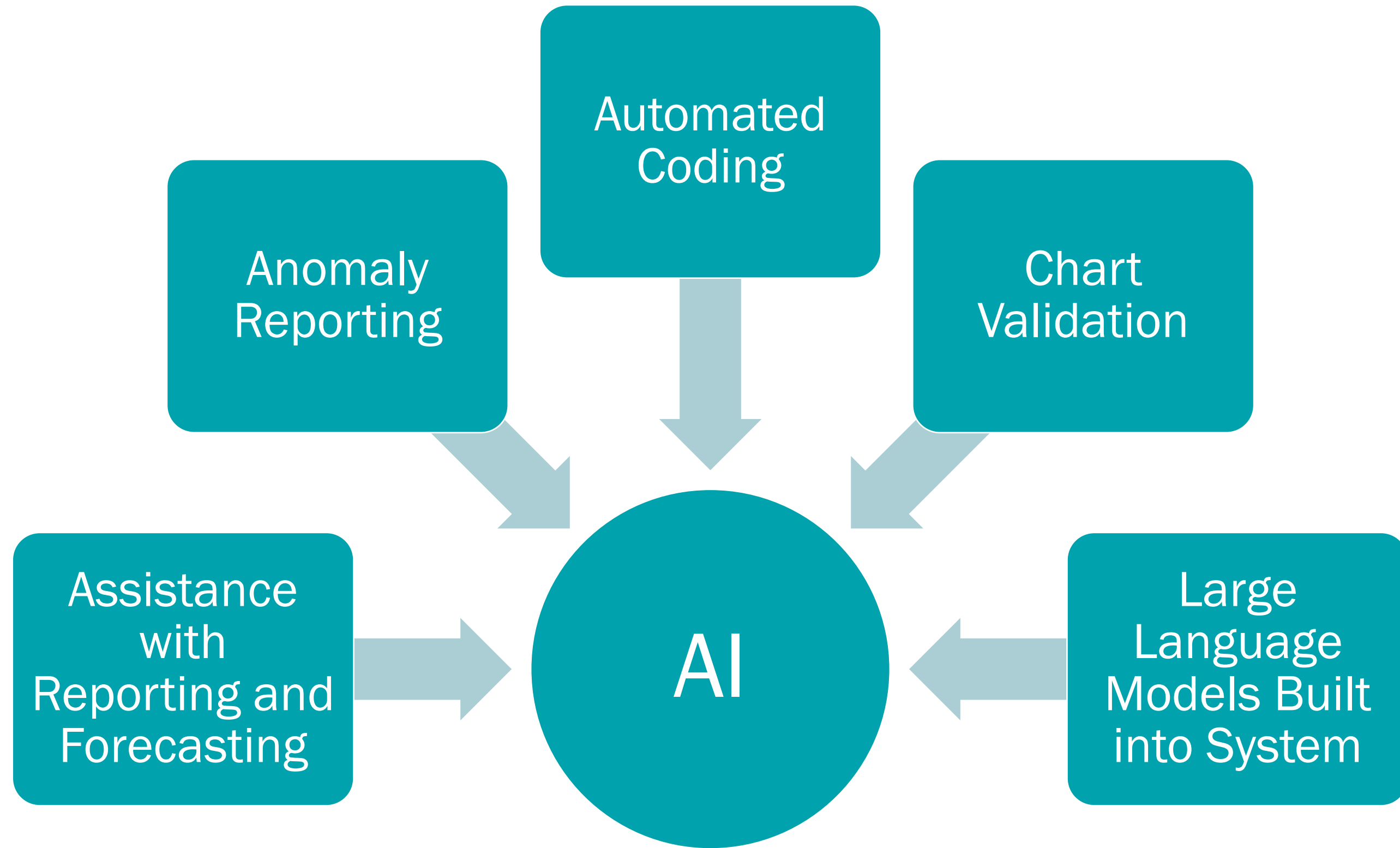
Data Warehousing

Combine Data
from Multiple
Platforms

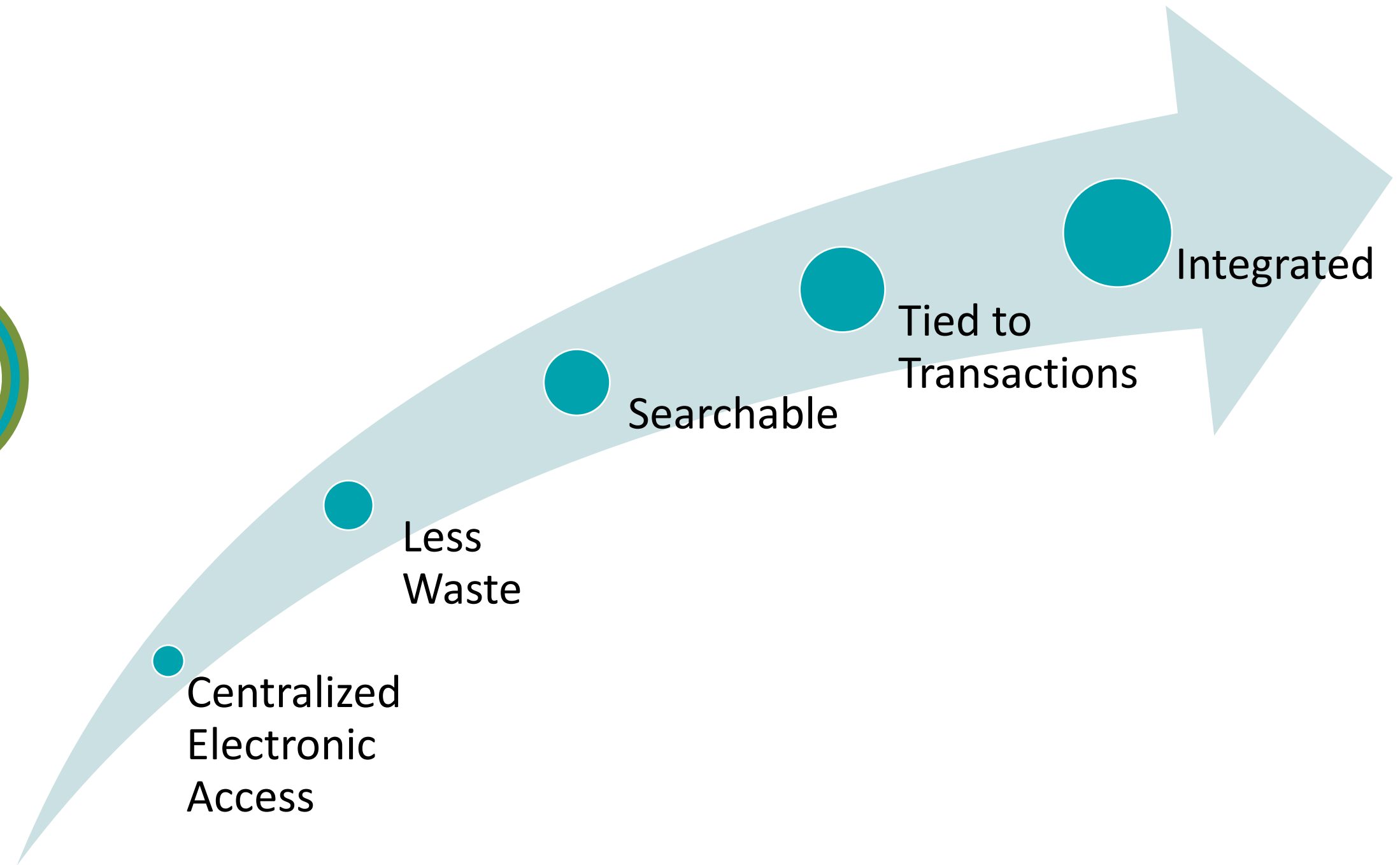
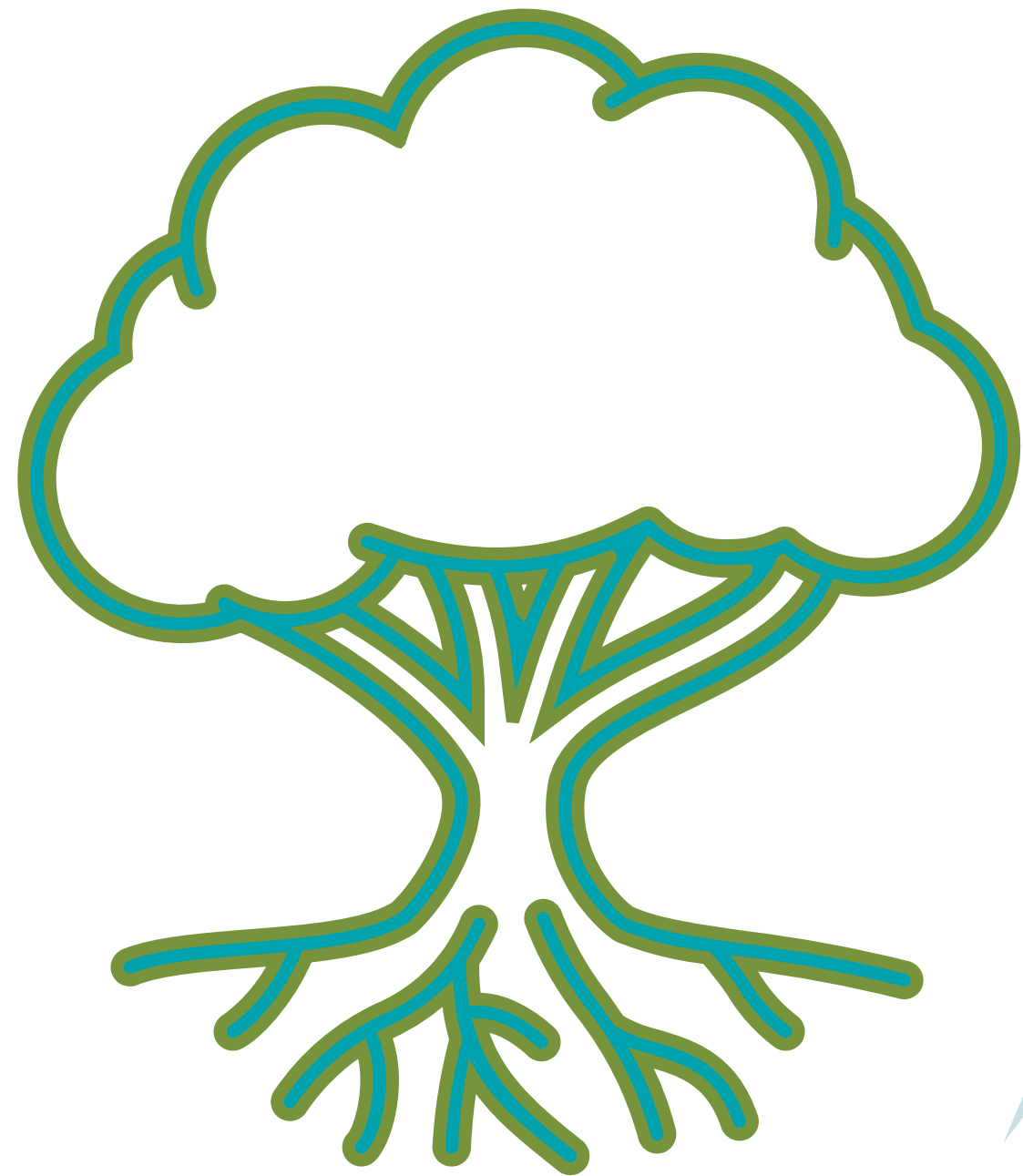
Report on
Combined
Datapoints

See Information
Across
Organization and
Silos

Establish
Organization-
wide Metrics



Document Storage



Centralized
Electronic
Access

Less
Waste

Searchable

Tied to
Transactions

Integrated

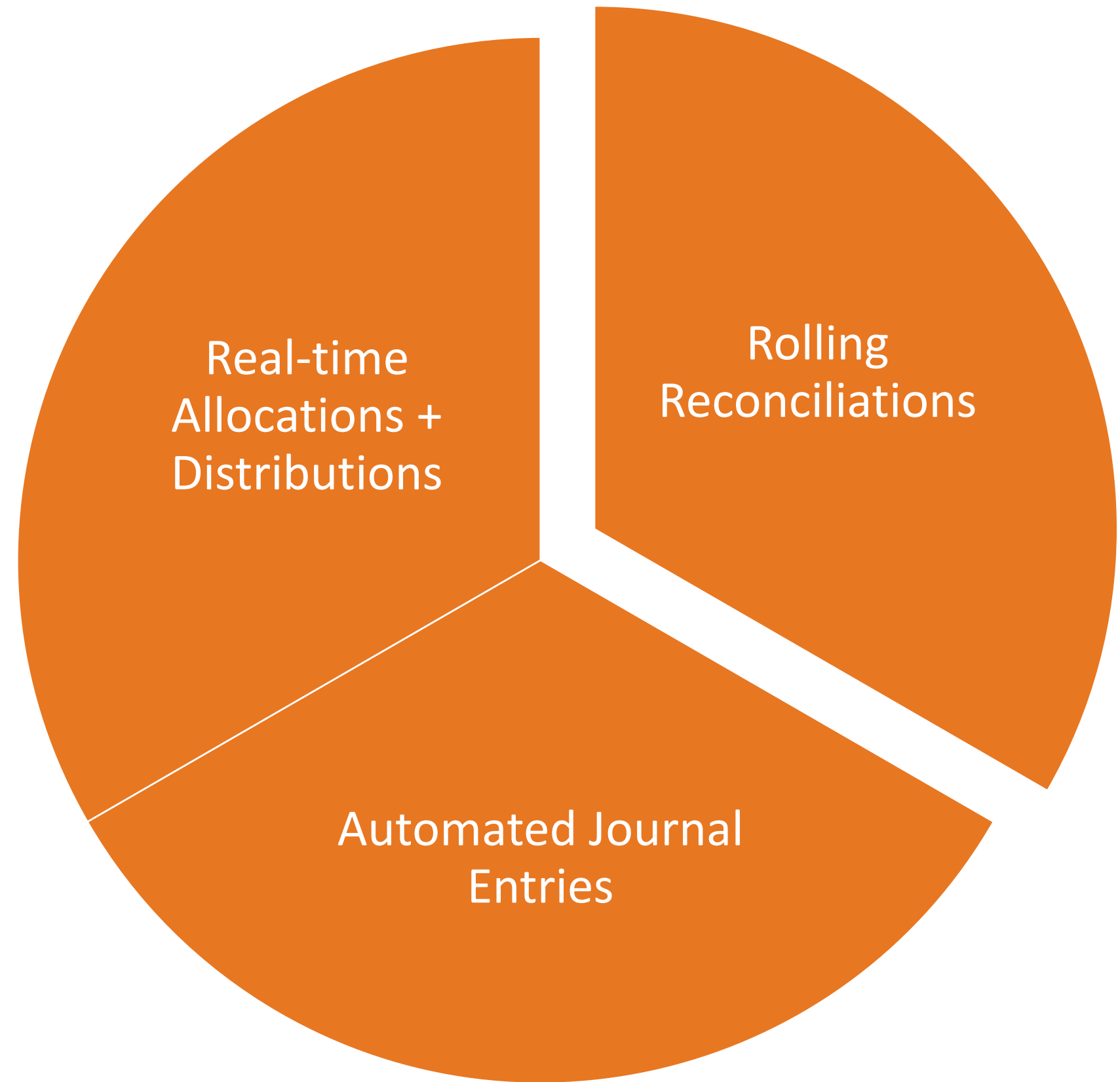
Polling Question

**What is the biggest
obstacle to improving
your finance
processes?**





Continuous Close Practices





Take it up a
notch.

Level-up Functionality With a Niche System

If a specific area requires deep focus, introduce a structured system to support it.





Use a modern system.

Take advantage of features in a modern system to step up your operations.

- This doesn't mean you have to invest thousands!
- Find the right architecture to support needs around centralized reporting.
- Rethink your information flow.



Next Steps



Assess Pain Points



Determine Needs



Revise Process





Questions?

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Understanding Agentic AI: Practical Applications for Nonprofit Finance

Vassilis Kontoglis
Ryan K. Wolff, MBA



Meet the Speakers



Vassilis Kontoglis
Partner, AI Digital
Transformation & Security



Ryan K. Wolff
MBA
Senior AI & Strategic
Innovation Consultant



What is Agentic AI in finance?

Agentic AI in finance is AI that not only analyzes and recommends but is authorized to independently take actions and manage workflows in pursuit of financial objectives, within clearly defined controls and human oversight.



Traditional AI		Agentic AI
Control Model	User-Driven	Goal-Driven
Initiation	Waits for Prompts	Self-Initiates Tasks
Autonomy	Low	Medium to High
Decision-Making	Single-Step, Reactive	Multi-Step, Proactive
Memory / Context	Short-Term	Persistent Memory
Planning Ability	Limited	Advanced
Tool Use	Manual Tools	Automated Tools
Human Oversight	Continuous Review	Periodic Checkpoints

Traditional AI vs. Agentic

Traditional AI helps with decision making; Agentic AI helps act faster, more consistent, at scale, while preserving governance

Why does it matter?

Speed and Timing are Competitive Advantages in Finance

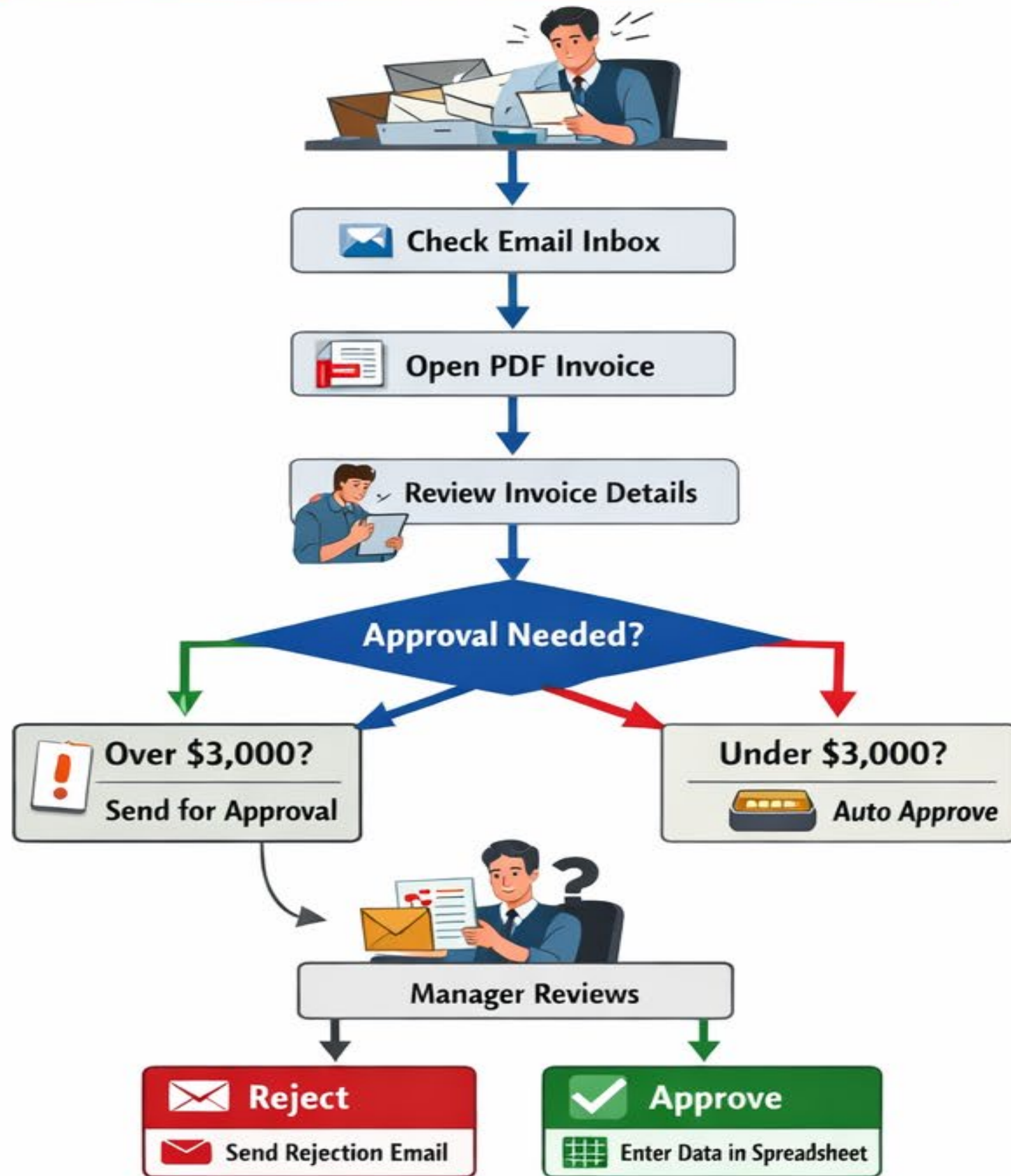
- Monitors continuously
- Detects conditions immediately
- Takes pre-approved actions without delay

Finance Work is End-to-End, Not Task-Based

Relief from Tedious Repetitive and Sometimes Time-sensitive Tasks

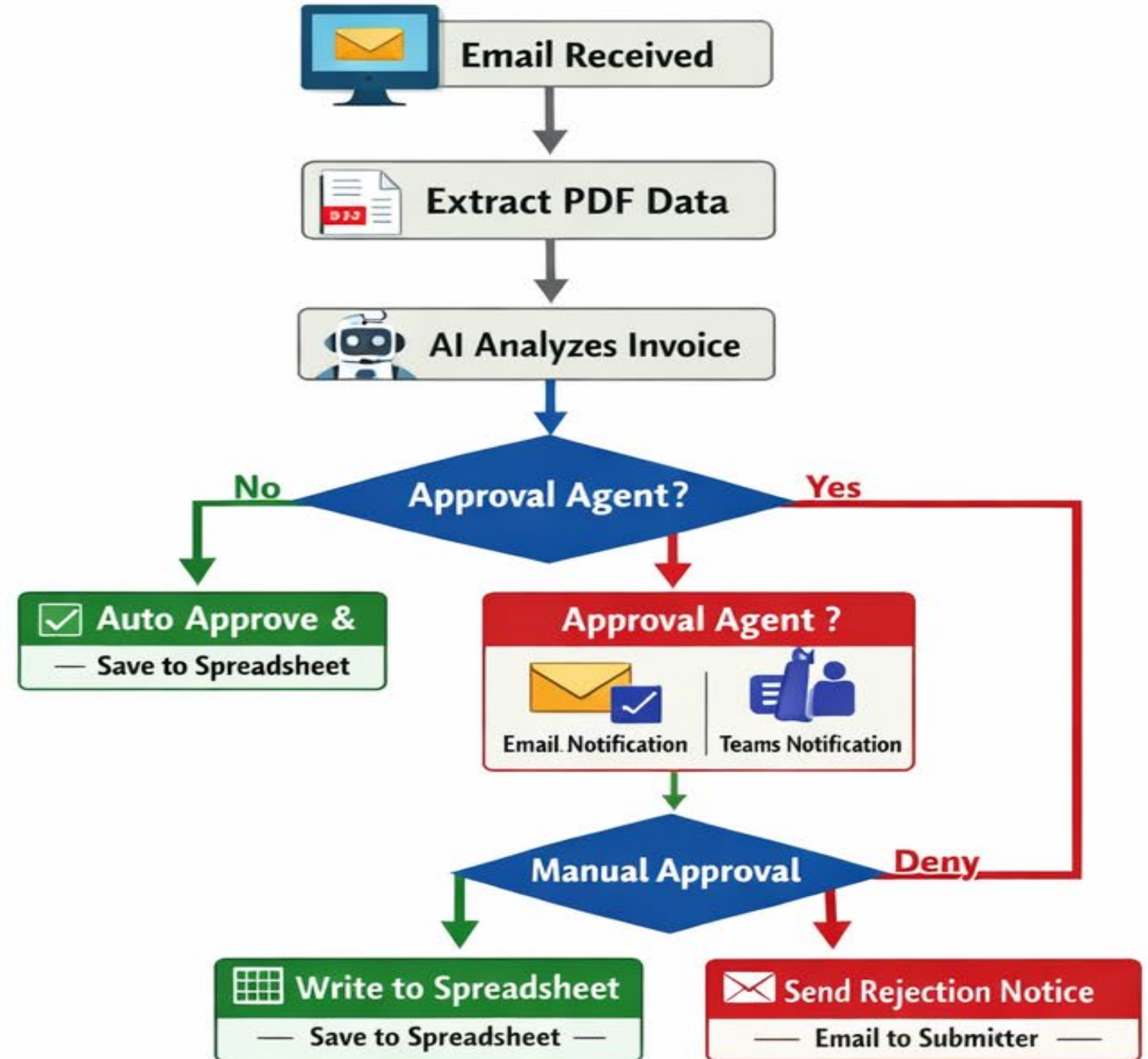
Agent Training vs Human training

Traditional Manual Process



Slow & Labor-Intensive

Agentic AI Process



Fast & Automated

Polling Question

Which finance areas
would benefit most
from Agentic AI?



Clipboard Paste Copy Undo Redo Font Aptos 11 Bold Italic Underline Link Background Color Text Color Paragraph Styles Attach file Pictures Link Record Signature Scheduling poll Insert Table Loop components Collaborate Dictate Voice Editor Proofing Themes Toggle light background Apps Polls My Templates Insights Viva Insights Add-ins High importance Sensitivity Low importance Encrypt Print draft Print Check accessibility Auto for option Copilot

Send

To @BPITC-Admin

Cc

NFP Invoice Processing Draft saved at 10:41 PM

AP_Invoice_Example_28_Over_300... 2 KB
AP_Invoice_Example_27_Under_30... 2 KB

Draft with Copilot (Alt+i)

I



BOSTON SENIOR HOME CARE
Your home. Your choice. Your care.

Home

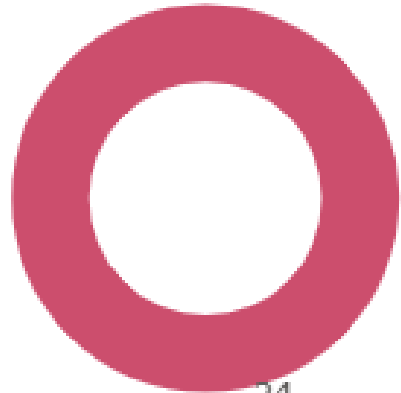
Full Name, Authorization Number

All

Authorization Originator

All

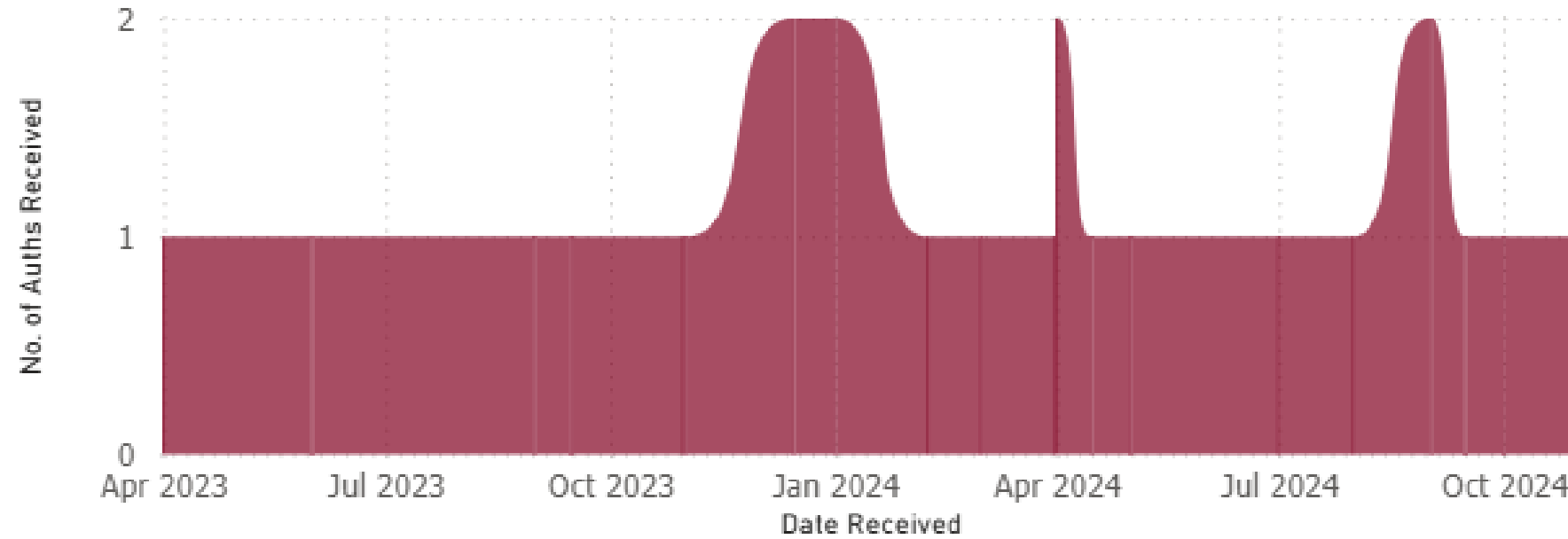
Status



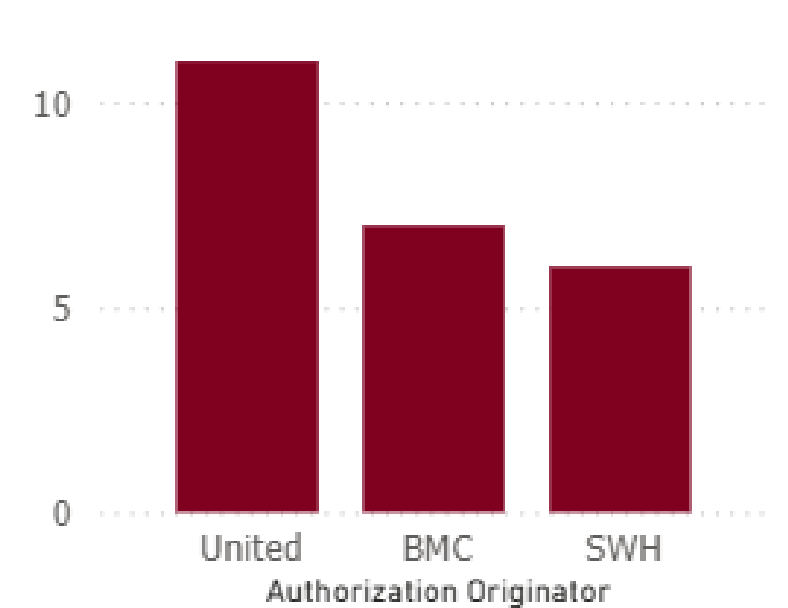
Status
● Expired

24
(100%)

Monthly Authorization



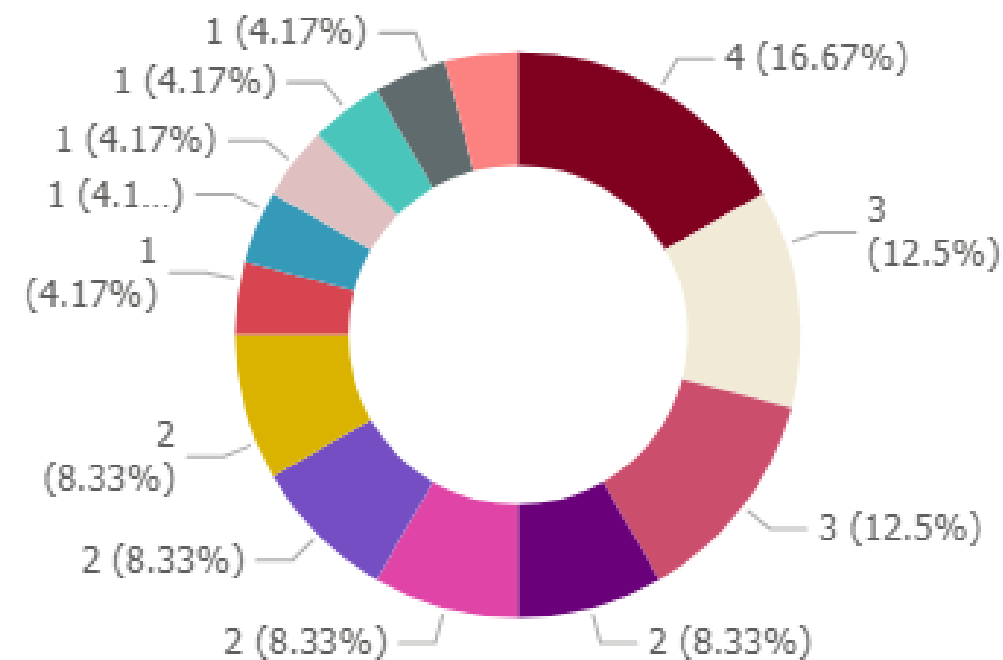
Authorization Originator



Expiration Monitor

Full Name	Authorization Service	Days till Expirations	Date of Birth
Black, Jack	Adult Day Health	-99	Tuesday, February 01, 1955
Brown, Sean	Home Health Aide +42	-99	Friday, February 28, 1941
Chen, Janet	Transportation	-99	Tuesday, October 05, 1954
Chen, Shao	HDM Meal	-99	Wednesday, October 03, 195
Coll, Roy	Homemaker	-99	Wednesday, December 20, 1
Cross, Tommy	PERS	-99	Monday, April 07, 1958
Curran, Joe	Chore - Heavy	-99	Thursday, July 07, 1932
Day, Doris	Adult Day Health	-99	Wednesday, September 07, 1
Dinh, Todd	Adult Day Health	-99	Thursday, November 08, 195
Green, Kelly	Laundry	-99	Wednesday, September 01, 1
Green, Sue	Adult Day Health	-99	Tuesday, May 04, 1948
Hart, Rachel	Transportation	-99	Monday, March 21, 1947

Authorization Services



Legend

- Adult Day Health
- Adult Day Health - Co...
- Transportation
- Chore - Heavy
- Home Health Aide
- Home Health Aide +42
- Homemaker
- Chore

Agentic AI Risks

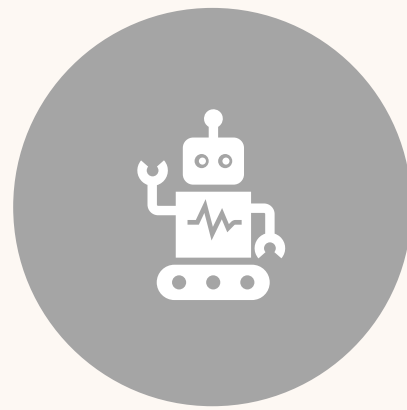
- Because agentic AI can **act**, finance organizations must manage:
 - **Decision authority** (What can the AI decide vs. recommend?)
 - **Explainability** (Why did it act?)
 - **Control boundaries** (Spend limits, approval rules)
 - **Auditability** (Who/what took the action?)
 - **Regulatory compliance** (Model risk, accountability)
- Well-designed agentic AI systems are **not fully autonomous**—they are **delegated actors** operating under explicit governance.
 - What kind of **access** they have (what kind of data can they see)
 - **What** can they do with the data (read/write)
 - **Who** oversees them and how
 - Not well-defined processes around **governance**
 - **Regulatory** compliance

Practical Takeaways: Look for



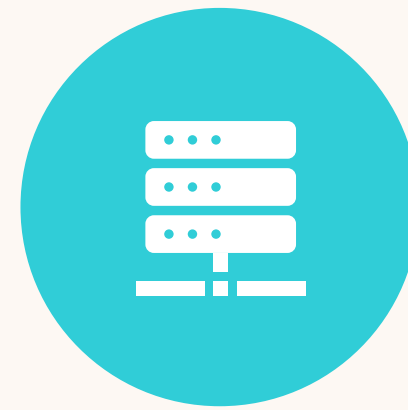
Transparency

Solutions should offer clear insight into decision-making processes to meet compliance and audit standards.



Customizability

Ability to tailor AI behavior, workflows, and controls to align with internal processes.



Integration

Seamless compatibility with your current systems and data sources.



Security & Privacy

Strong safeguards for sensitive financial data, with encryption and access controls.

Practical Takeaways: Checklist



Governance

Assign cross-functional ownership (finance, IT, risk, compliance).
Define clear policies on AI usage, roles, and responsibilities.

Control Points


Set boundaries for automated actions—approve high-risk decisions manually.
Enable logging and audits for all AI-driven workflows.

Safe Piloting

Start with a limited-scope, low-risk process.
Monitor AI outputs closely and measure against business goals.
Solicit stakeholder feedback and document lessons learned.



Practical Takeaways: Follow-up



For more technical deep dives, security assessments, or tailored implementation advice, connect with your IT or AI security teams—or reach out for a follow-up discussion.

Polling Question

What is your biggest barrier to adopting agentic AI?



Q/A

Agentic AI is not a tool upgrade — it's an operating-model shift.



Questions?

Contact Us

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Ryan Wolff

 rwolff@aafcpa.com





What's New at AAFCPAs

Matthew Boyle, MBA
Partner & Chief Marketing Officer



AAFCPAs
Earns
Certified B
Corporation
TM Status



Certified



Corporation

A Certified B Corporation is a for-profit company that is independently verified to use its business as a force for good; balancing profit with positive impact on people, communities, and the environment, and holding itself legally and transparently accountable to that mission.

What makes a company a Certified B Corporation?

Certification is granted by B Lab, a global nonprofit, and includes:

- Independent Verification
 - Companies undergo a rigorous, third-party assessment; no self-certification.
- Whole-Business Impact
 - Performance is measured across:
 - Workers (wages, benefits, culture)
 - Community (local engagement, equity, inclusion)
 - Environment (resource use, emissions, sustainability)
 - Governance (ethics, transparency, accountability)
 - Customers (products/services that benefit society)
- Legal Accountability
 - B Corps commit to balancing financial performance with social and environmental impact in decision-making.
- Transparency
 - Impact scores are made public, similar to nonprofit disclosures.



We are part of a growing movement to redefine success in business, so that profit and purpose reinforce, rather than compete with, one another.



Meet Our Newest Partners



Lisa Whittemore, CFE, CRMA, MBA
Partner-Risk Advisory



Garrett Kelleher, CPA, MBA
Partner-Chief Financial Officer



Ronald C. Lipof
Partner-Mergers, Acquisitions, and
Transaction Advisory

New Partners



**David S. McLaren, CPA, CGMA, CRFAC,
ABGOV, RFI, CRFAU**
Partner-Forensic & Business Valuation



Jennifer Chase-Williams, CPA, MBA
Tax Partner

**AAFCPAs Acquires 16
Member Firm
McLaren &
Associates CPAs, PC,
Expanding Forensic
Advisory, Tax, and
Business Valuation.**

WBJ “Best of Business 2026”
Honors in Valuation and Forensics





2025 Awards & Recognition

- AAFCPAs Earns Certified B Corporation™ Status
- AAFCPAs' David McLaren Secures WBJ "Best of Business 2026" Honors in Valuation and Forensics
- Carla McCall Recognized by BBJ for 2025 Icon Awards: Women Who Mean Business
- AAFCPAs Recognized by The Women's Edge as 2025 Top 100 Women-Led Businesses in Massachusetts
- AAFCPAs is Among Accounting Today's 2025 Best Firms for Technology
- AAFCPAs is Among Accounting Today's Top 100 Firms 2025
- Kaite Valliere Recognized with MassCPAs 2025 Women to Watch Award
- Sarah Flischel Recognized Nationally with 2025 AICPA Emerging Leaders Award

AAFCPAs Expanding National & Global Client Footprint

43 States!

18 Countries!



*Thank You For Your
Inspiration*





Break

Need a pause? You've earned it.



Futureproofing Your Organization: Thriving in Uncertain Times

Trista Harris
Carla McCall, CPA, CGMA



Meet the Speakers



Trista Harris

MPP

Radical Optimist, Philanthropic
Futurist, Professional Speaker
and President at FutureGood



Carla McCall

CPA, CGMA

Managing Partner





FutureProof Your Organization

with Trista Harris
Philanthropic Futurist &
President of FutureGood





Trista Harris

Philanthropic Futurist & President



hello@WeAreFutureGood.com



www.WeAreFutureGood.com



**Helping visionary
leaders build a better
future through
strategic visioning,
retreats, cohort
programs, and online
learning programs**

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400 53 KODAK PORTRA 400

LIVE UNITED

United Way



GIVE.

INITIALS

COVERAGE YOU CAN COUNT ON

NONPROFITS PREPARE TO LOSE FEDERAL FUNDS

TRUMP ORDERS PAUSE ON FEDERAL GRANTS & LOANS

WEATHER TALBOTTON, GA SATURDAY 47-60 12PM-40 SUNDAY 48-71 12PM-40 MONDAY 48-74 12PM-50

400 53 KODAK PORTRA 400

What does Burnout LOOK LIKE?



- Lack of energy
- Loss of enjoyment
- Losing patience quickly
- Permanent tiredness
- negative emotions
- getting cynical

6 SYMPTOMS to watch out for

planio

400 53 KODAK PORTRA 400

75% vs. 86%

Share of Black-led vs. white-led nonprofits that received foundation funding

400 53 KODAK PORTRA 400



FUNDING SAVES LIVES

Another world is not only possible,
she is on her way. On a quiet day, I
can hear her breathing.

Arundhati Roy

 quoteancy

OR WRITE
SOUT ONE THING
DU WISH WE HAD
IN OUR
NEIGHBORHOOD

Ice
cream
shop!
am



IN MY IDEAL FUTURE CAMDENTOWN IS...

SAFE VIBRANT STREETS, DIVERSITY, COMMUNITY LEADERSHIP, RECREATION

BLM

LOVE

BLACK OWNED

hope Love!



Love



Love



Love



Love



Love



Love



Love



Love



Love



Love



PARKS

FRIENDLY OPEN TRUSTING SAFE

CARING Neighbors

Street art!

I Love My?

VIBRANT!

Santiago's Po Do Places to PLAY!

- SMALL BUSINESSES
- RECORD STORE
- RESTAURANTS
- FLOREST BOOK STORE



THE GETDOWN & COFFEE CO.

A CONNECTED Community

Healthy FOOD CP's Dedicated Bike Lanes

GREAT NEIGHBORS Locally Owned Businesses

Swimming Pool!

Peace, Love, Joy Health & Wealth



Edwin

Edwin

Edwin

Karen's

Edwin

Edwin

Edwin

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Edwin





Entrepreneur Houston White is building a 'Black mecca' in north Minneapolis



THE
GET DOWN
COFFEE
CO

HOUSTON WHITE

HOUSTON WHITE



N 4



GRAND
OPENING
WEEKEND

Black Friday Nov 28
to Sunday Nov 30
7 - 7 daily





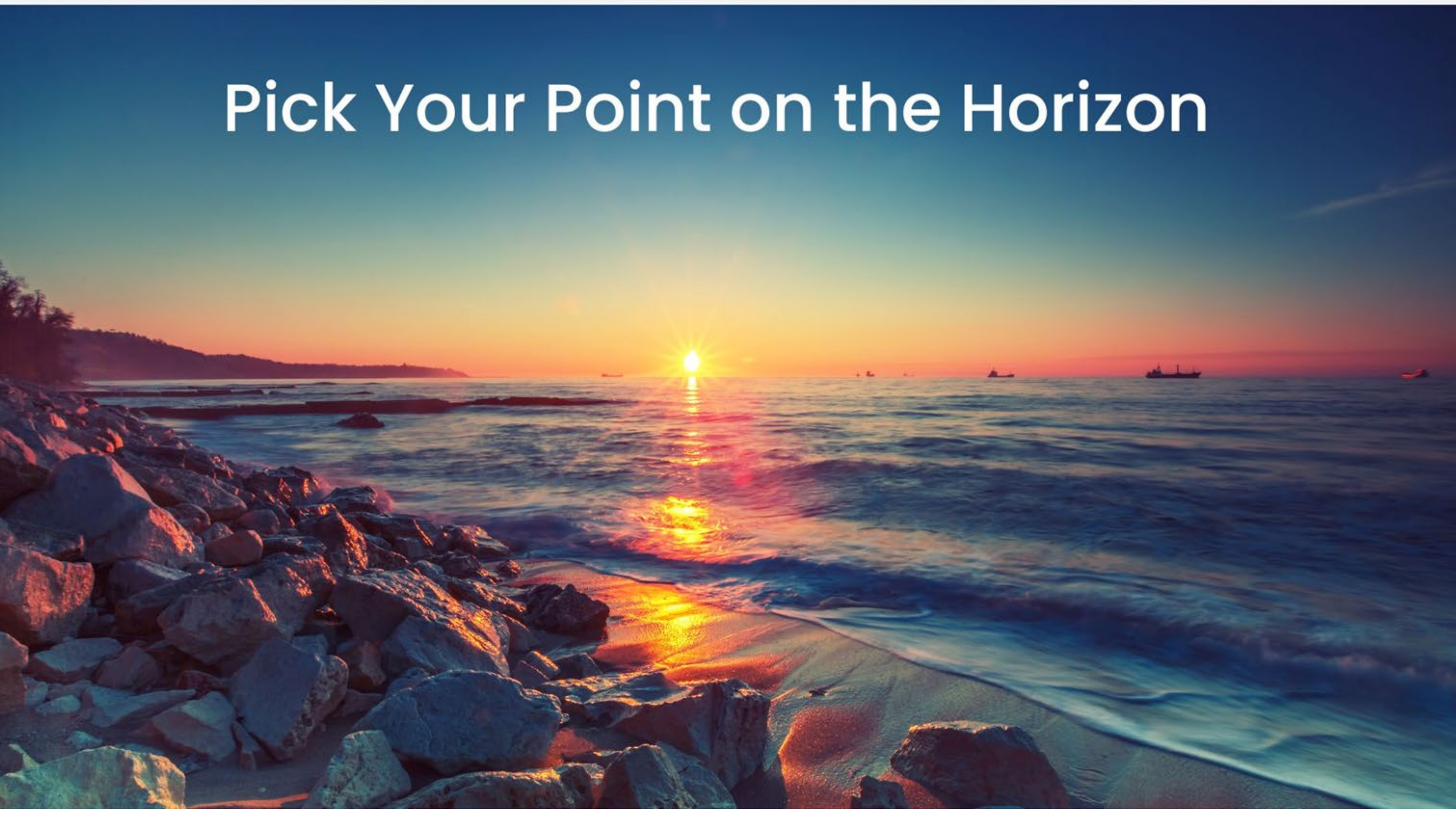


Embracing culture.
Creating purpose.

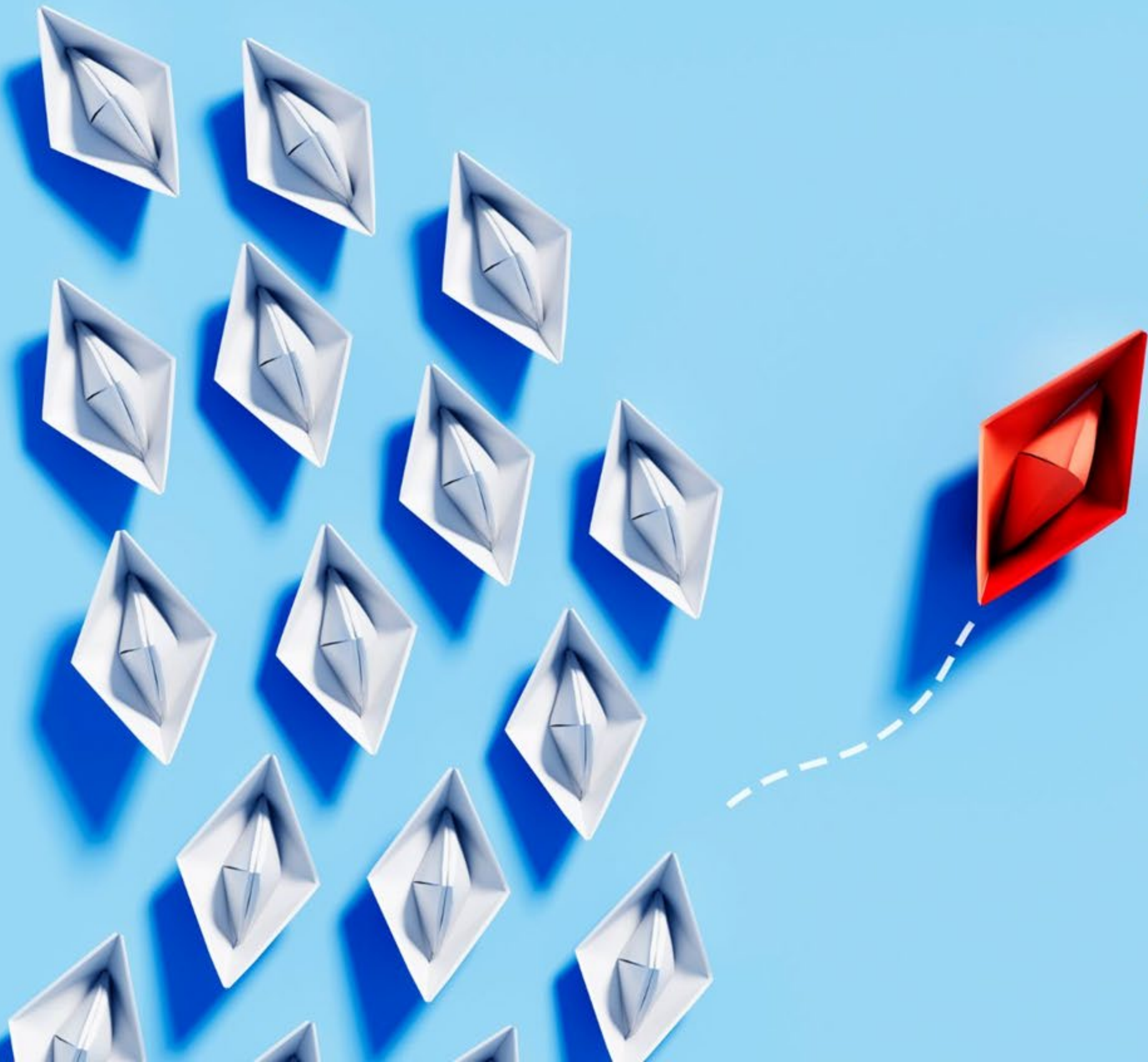
Now is the Time to FutureProof



Pick Your Point on the Horizon



Adapt Faster



Harness Volatility



ASK ME ANYTHING

What does the future of work look like?

What future trend are you most excited about?

How can I become more resilient to this volatility?

**"The future
doesn't just
happen to you.
You **create it**
with the
decisions you
make today."**

Trista Harris



hello@WeAreFutureGood.com



www.WeAreFutureGood.com



[@WeAreFutureGood](https://www.instagram.com/WeAreFutureGood)



Questions?

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Carla McCall

 cmccall@aafcpa.com





Strengthening Resilience Through Mission and Financial Alignment

Joyce Ripianzi, CPA

Amy Staunton, CPA

Lauren M. Duplin, CPA



Meet the Speakers



Joyce Ripianzi

CPA

Nonprofit Partner, Outsourced
Accounting & Fractional CFO



Amy Staunton

CPA

Director & Consulting CFO



Lauren M. Duplin

CPA

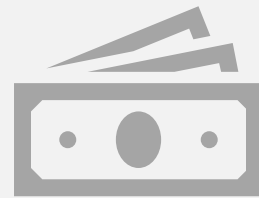
Nonprofit Partner, Outsourced
Accounting & Fractional CFO



Aligning Mission and Margin Ensures



Financial resilience during times of economic volatility



There is increased need for more credibility with donors and boards



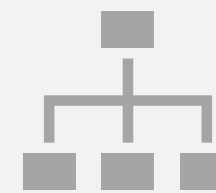
Discussions transitioning from growth to long-term sustainability



Financial Reporting Wellness Check



Identify and summarize all financial data and funding sources.



Map program(s) and activities operated by organization.



Analyze data to understand underlying obligations.



Plan for alternative operations and contingencies.

Identify

- Review funding sources
- Identify critical staff & associated costs
- Determine emergency cash sources
 - Consider:
 - Operating lines of credit
 - Board restricted reserves
- Review projects and goal pipeline, including identifying priority order and planned timing
- Consider “essential” services to meet mission
- Know your loss leaders

Polling Question

Where do you see the greatest need to better align mission and finances right now?



Map

What info can your GL provide?

- Can you run individual P&Ls?
- Are those P&Ls inclusive of any cost allocations?
- If so, at what frequency?
- Are there sub dimensional details that would be helpful to break apart (e.g., if costs are tracked or tagged to individual grants or donors)?



Analyze - Numbers

Dependent (Variable) Costs

- Positions dependent upon particular funding?
- Subscriptions or other costs that would be cut?
- Per client costs should be calculated including program supplies and direct cost of support.

Fixed Costs

- Administration and overhead
- Occupancy including maintenance
- Non-cancellable contracts with vendors or services
- Fundraising

Identify any New or Increased Costs

- Additional client assistance
- Exit fees for long term contracts if cancelled
- Severance costs (including unemployment, potential litigation)

Analyze: Think Inside the Box

Rental Space Flexibility

Can staff be re-organized?

Funders – Flexibility with Current
Donations and Future Asks

How can I be proactive?

Polling Question

What most limits your organization's ability to plan proactively?



Plan

Cash Forecasting Is Key

- Days in cash available – need to understand business cycle
- 3, 6, and 12M cash inflows and outflows

Shift to Short-term Budgeting

- Fixed costs
- Variable costs

Scenario & Contingency Planning

- Consider reductions, e.g., if funding cut by 20%, could the program continue?

Diversification of Funding

Plan

- Refresh banking and investment relationships and policies
- Consider delay of expenditures or capital projects
- Refinance or extend debt terms
- Assess needs for line of credit
- Look for opportunities for shared costs
- Consider friendly organizations aligned with mission
- Donor base consideration



Showcase Sustainability

Use data to
assist with
donor
cultivation:

Months cash on hand – ability to sustain operations and manage risk

Net assets – long-term stability and capacity

Program expenditure ratio – majority of resources invested directly in mission delivery

Reserve policy – financial stability

Giving history tied to program outcomes – showing how donation dollars deliver achievements

Key Factors Donors Look at



Mission
Alignment



Program Impact



Efficiency Ratios



Leadership and
Governance



Trust and
Reputation



Financial
Transparency



Reporting and
Communication

Key Takeaways

01

Leverage technology: are you set up to capture appropriate data

02

Optimize data so you may get at it quickly for planning and pivoting

03

Incorporate clear concise data to optimize external reporting and relations



Questions?

Contact Us

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Lauren M. Duplin

✉ lduplin@aafcpa.com





Panel: Reimagining Mission Delivery in a Changing Funding Environment

Courtney McFarland, CPA, MSA, 340B ACE™

Liz Cahn

Kim McCormick



Meet the Speakers



Courtney McFarland
CPA, MSA, 340B Apexus
Certified Expert™
Partner



Liz Cahn
Nonprofit Fundraising
Consultant
Cahn Consulting



Kim McCormick
President
McCormick Group





Questions?

Contact Us

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Kim McCormick

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Wrap-Up and Gratitude

Thank you for joining us.
We appreciate your time and insights.

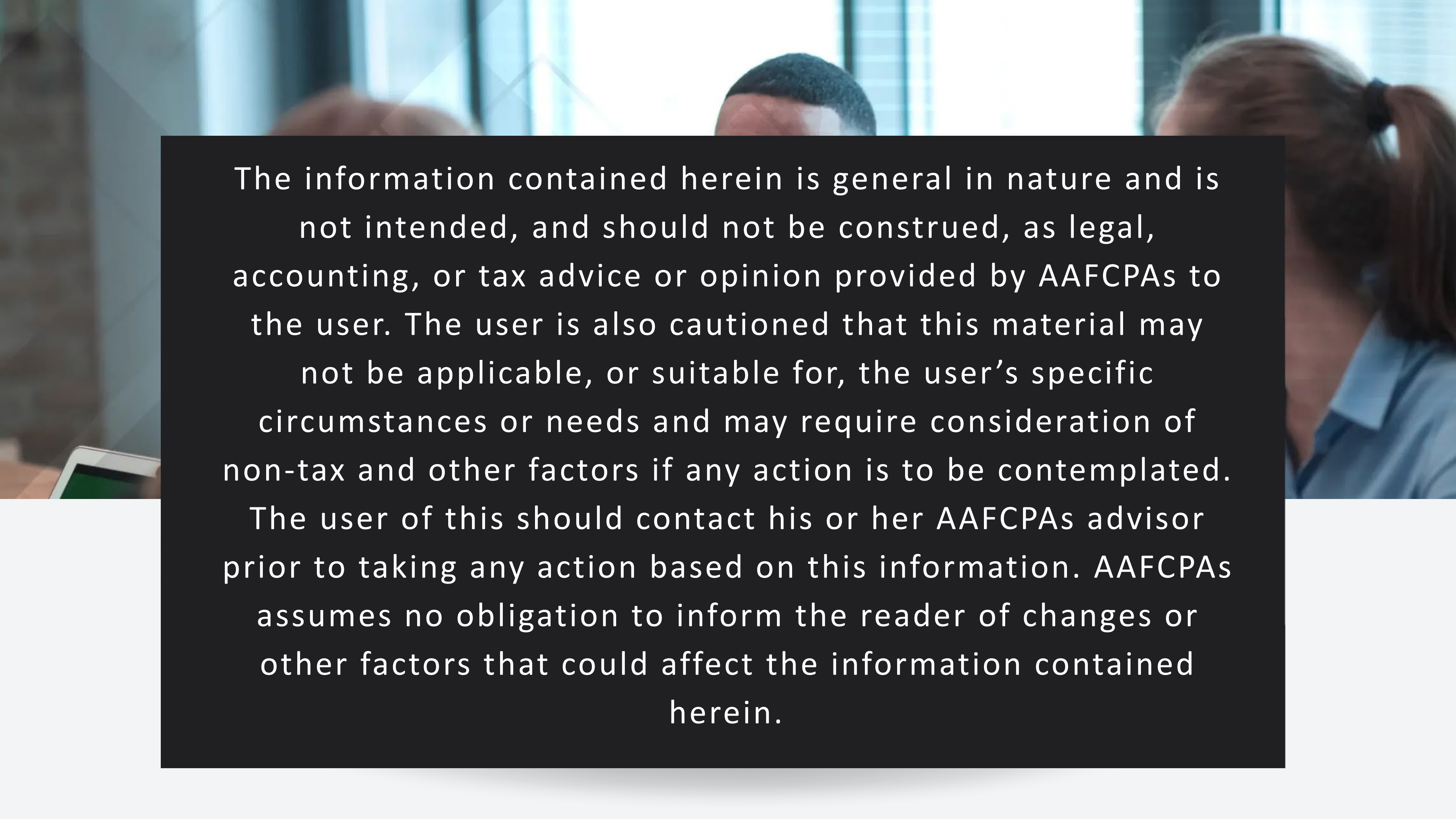
Join us for our post-seminar breakout
discussions with speakers and peers
after the break.





THANK YOU



The background of the slide shows a blurred office environment. In the center, the back of a man's head is visible. To the right, a woman with her hair in a ponytail is partially visible. On the left, a person is holding a tablet. The overall scene suggests a professional meeting or a collaborative work environment.

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