



SAGE NONPROFIT SOLUTIONS NEWSLETTER

In This Issue:

Taking the Pain Out of Cost Allocations

Special Report: Weathering the Economy

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Authorized Partner

Taking the Pain Out of Cost Allocations

Properly allocating costs among your various programs can be one of the most challenging aspects of nonprofit accounting. Of course, allocating **direct** costs is simple enough. It's the **indirect** costs - like rent, utilities, and administrative expense - that throw a wrench in the works. Let's take a look at how Sage MIP Fund Accounting can put your allocations on auto-pilot and simplify your life.

Funds With Strings Attached

Often times, the funding you receive comes with strings attached. The donors or grantors want to know that the funds are being applied to the programs for which they're intended. At the same time, some of that funding will be used for bookkeeping, payroll, utilities, and other expenditures necessary to the overall operation of your organization. Properly allocating these indirect costs among various programs can be a real challenge without the right systems in place. That's where the Sage MIP [Allocations Management module](#) comes in.

Making Complex Calculations Simple

Sage MIP Allocations Management will ensure that your allocation methodology is consistently applied and properly supported. There's no need for multiple spreadsheets, complex manual calculations, or hours of tedious reconciliation.

No matter how complex your allocations might be, the Allocations Management module provides a simple set up process that allows you to set flexible calculation parameters. You can allocate balances at the program level, department level, grant level, and even across multiple segments simultaneously. Plus, you can implement advanced options that allocate based on dynamic percentages, units of measure (like square footage), relative account balances, weighted average daily balances, non-financial data collected in statistical fields, and much more. Just set up your allocation and put Sage MIP on auto pilot.

Push Button Processing

Once your allocations codes are set up, the hard work is behind you. Now you just push a button and have Sage MIP calculate allocations in groups, one at a time, or as needed. If you've created a sequential allocation that depends on the results of a prior transaction, the Allocations Management module will automatically process them in the correct order. Once allocations are processed, Sage MIP automatically creates General Ledger entries that you can review and edit before posting. Plus, integration with the Payroll module allows you to leverage allocations based on direct labor hours and employee headcount.

Fantastic Reporting

As you'd expect, the Allocations Management module includes a host of fantastic reports that provide a comprehensive audit trail to support your allocations. You can even run a detailed calculation register that traces the steps performed in your allocations. Plus, it's easy to generate pre- and post-allocation reports for your auditors.



[Contact us](#) if you'd like to learn more about using Sage MIP Fund Accounting to simplify your cost allocations.

Special Report: Weathering the Economy

There's no doubt, this economic downturn has had a significant impact on nonprofits. From small donors to major contributors, it seems that giving at every level has declined. But challenging times can be a catalyst to creativity and innovation resulting in a leaner, more efficient organization that serves its programs and community more effectively than ever before.

Sage recently conducted a survey of over 1,400 nonprofits to determine how the economy is affecting them and what the leading organizations are doing to fight back. The results reveal fantastic insight so let's take a quick look.

Survey Methodology & Findings

Sage worked with the publisher of the Chronicle of Philanthropy (www.philanthropy.com) to create a survey that was distributed among their thousands of subscribers. The survey was conducted toward the end of 2008 and produced 1,412 responses. A few of the key findings include:

- **48%** indicated their organizations **income was below expectations** in 2008.
- **61%** mention that a decline in **individual donations** had the greatest impact on revenue.
- **64%** plan "additional personal asks with major donors."
- **66%** plan to diversify funding sources.
- The **donor management/CRM** system is clearly the **most important technology** in helping organizations in their fund diversification.

Time to Innovate Your Fund Raising

As a fund raising professional, it's easy to feel helpless as you watch contributions and revenue fall. But perhaps now, more than ever before, it's critically important to focus intently on fundraising, diversifying funding sources, and finding new donors to mitigate rising attrition rates. As the

results suggest, a donor management system is an important tool that can innovate your approach to fundraising. And Sage Fundraising 50 can help you get there.

Sage Fundraising 50

With [Sage Fundraising 50](#), you can maintain profiles of your donors and contributors, track giving amounts and personal demographics, send personalized communications to improve solicitations, and streamline every single aspect of constituent management. You can also set up recurring giving programs making it easier for donors to give smaller amounts at regular intervals.

Campaign Management - plan and manage simple or complex fundraising campaigns including support activities, event management, solicitations, and major gift requests for those campaigns.

Gift Management - set up and manage gift and pledge tracking, payment schedules, acknowledgements, and receipting with the greatest of ease.

Payment Processing and Online Gifts - easily process credit and debit cards as well as capture donations through your website using Sage Fundraising 50.

Innovate your fundraising approach while slashing administrative costs with Sage Fundraising 50. Contact us for more information.



SPECIAL REPORT: Weathering the Economy

[Email us](#) to request the complete report including detailed findings, graphs, and pie charts.

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At REDW, integrity counts.

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