



ADVANCING MISSION  
THRIVABILITY



THE PATTERSON  
FOUNDATION

LABINAR #2

**Building A Mission-Focused  
Framework for Nonprofit Thrivability**

July 22, 2020

**WORKSHEET #1**

**Economic Centric Decision Making Exercise**

## INSTRUCTIONS

- Meet with your team (ideally to include leadership, staff, and board) to work on the three-step process below.
- Come with your questions and comments to Webversation #2 on Wednesday, July 29<sup>th</sup> at 11:00am.
- Begin this exercise prior to Webversation #2 on Wednesday, July 29<sup>th</sup> at 11:00am.

- Look at your most recent 12-month projected operating budget.
- What specific financial goals did you have in place?
- What did you specifically achieve against your financial goals?

## STEP #2: INVENTORY - RANKING

- Refer back to the complete list of programs, services, and products for your nonprofit that you compiled after LABINAR #1 (refer to WORKSHEET #2 from LABINAR #1)

- Order them from high-to-low RETURN (revenue minus expense) based on what you know (or think) from your most recent 12-month year-end financials.

### **STEP #3: IDENTIFY – CALCULATE – REPRIORITIZE**

- Identify the real total REVENUE and EXPENSE by program, service, and product for your most recent 12 months. *(Note: keep in mind your financials don't always tell the real story -- in many nonprofits, actual costs may not be fully allocated to programs, services, and products.)*
- Using information above, calculate RETURN (revenue minus expense) for each program, service, product.
- Reprioritize programs, services, and products based on FACT.