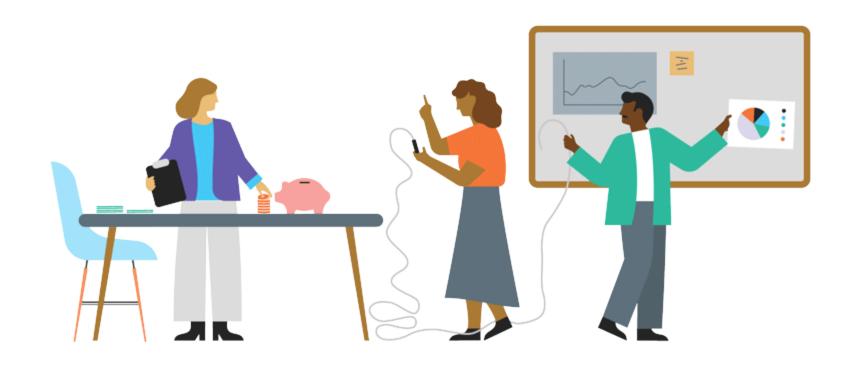
Best Practices for Nonprofit Boards

6) Think Full Cost



Nonprofits Need Profits to Cover the Full Cost of Doing Business

	Total Expenses Operating, non-operating, and unfunded expenses	
Q _o	Working Capital Access to cash for day-to-day needs	
7	Reserves Savings, a "rainy day" fund	
\$\$\$\$	Debt Principal Repayment Mortgage, line of credit, etc.	
	Fixed Asset Additions Money to purchase a truck, forklift, or server	-
*	Change Capital Resources to adapt, grow, and/or expand	

'Must haves' for all organizations

Sometimes needed by some organizations

Crisis Tips

- ✓ Consider your hierarchy of need
- ✓ Use reserves as needed to fill in the gaps