

Signature Community Initiative
PARTNERSHIP DEVELOPMENT
Financial Assessment Tool

Purpose: The Financial Assessment Tool conducts thorough financial due diligence on nonprofit organizations before committing to a partnership and allows Community Investment Coordinators to easily examine an organization's financial health. The methods below can assist in ensuring a nonprofit is fiscally responsible.

- 1. Check the organization's tax exempt status and confirm that it is in good standing. Community Investment Coordinators can do this by requesting a copy of the organization's IRS 501(c)(3) determination letter or by checking it online using the [IRS's free exempt organizations search tool](#).**

**Education Foundation for Billings Public Schools – Tax ID 81-0452904*

- 2. Review the organization's financial information by examining the organization's IRS 990 form which contains information on the nonprofit's assets, liabilities, reserves, expenses, and revenue sources. Make sure that expenses seem appropriate compared to revenue and ensure that revenue sources are diverse. *NOTE: During the application development process, Community Investment Coordinators will request additional financial information including an organizational audit as well as copies of current and previous year's budgets.***

**Attached are the Education Foundation for Billings Public School's past 3 years 990 reports. The Education Foundation operates on a July 1-June 30 fiscal year. (please note the loss on the current 990 report is due to timing)*

**Attached is the Education Foundation mid-year balance sheet and income sheet statement. The financial statements show a previous year comparison.*

**If needed, the Education Foundation can provide the organization's Internal Control, Endowment, Gift Acceptance, Conflict of Interest, Whistleblower, or other pertinent adopted board policies.*

- 3. Assess the organization's ability to manage a grant similar to the size of the potential Phillips 66 award. Review the size of the organization's largest grants to better understand the level the organization is able to absorb. Grants that are too large can place undue pressure on the grantee and result in an**

unsustainable solution. Implement a guideline when discussing adequate size for a grant award to promote long-term stability of a grantee organization by ensuring that funding sources are diverse and numerous.

The Education Foundation for Billings Public Schools has been the recipient and administered funds for several projects that have benefited the students and school district. These projects include the renovation of Daylis Stadium and Orchard Playground project. Additionally, the Education Foundation received a \$2.7 million estate gift in 2009 that we manage as an endowment per the donor's wishes.

Education Foundation Executive Committee Members:

Eric Nord, Attorney, Crist, Krogh & Nord LLC

Pam Hofferber, Program Director, KTVQ

Heidi Knudson, Business Development Director, Altana Federal Credit Union

Greg Peterson, Chief Financial Officer, Northwest Pipe Fittings, Inc.

Todd Vralsted, Senior Vice President-Wealth Management, UBS Financial Services

Education Foundation Finance Committee Members:

Greg Peterson, Chief Financial Officer, Northwest Pipe Fittings, Inc.

Todd Vralsted, Senior Vice President-Wealth Management, UBS Financial Services

Dale Haarr, Vice President, Financial Advisor, DA Davidson & Co.

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