



CASE STUDY

Public Assistance Nonprofit Increases Impact while Decreasing Non-Program Overhead by 12%

Utility Emergency Services Fund



CHALLENGES

Embracing Modern Financial Processes to Support an Expanded Mission

Utility Emergency Services Fund is a public and societal benefit organization with a goal of lowering Philadelphia's 26% poverty rate by providing emergency financial assistance to the city's most vulnerable. In the last decade, Utility Emergency Services Fund expanded its mission beyond utility grants to overall housing stabilization programs — working with families, veterans, and others at risk groups to break the cycle of intergenerational poverty by addressing its root causes. The nonprofit's critical work is funded through several sources, including grants from municipal, city, and Federal agencies, as well as for-profit utility companies, foundations, and individual donors.

Historically, it was challenging for Utility Emergency Services Fund to keep track of revenue and expenses for each separate fund, since the organization relied heavily on paper-based processes. Eventually, its outsourced accounting partner helped to address these issues by migrating the financials from Intuit QuickBooks to Sage Intacct, and Utility Emergency Services Fund ultimately decided to move to an in-house finance team to further streamline. As a result of these changes, the nonprofit sped weekly accounts payable (AP) payments by 83%, reduced paper use by 86%, and gained the visibility and confidence to more than double grant contracts during the COVID-19 pandemic.

SOLUTIONS

Automated Workflows Speed Weekly AP by 83%

When COVID-19 shut down businesses and schools everywhere, low-income communities in Philadelphia were hit hard. Thankfully, Utility Emergency Services Fund was already up-and-running on Sage Intacct's modern, cloud-based financial management solution, which made it easy to take on new contracts, since the system effortlessly tracks income and allocates expenses across funds.

"With Sage Intacct's grant accounting capabilities, we've been able to very quickly respond and scale to the growing needs of our community," explained Tom Malecki, director of finance and operations at Utility Emergency Services Fund. "We can create a budget for a new contract in a day and a half, so we've been able to manage double the funding, even though we've only grown headcount by 50%. Without Sage Intacct, I wouldn't have felt comfortable that we had the infrastructure necessary to keep up with this rapid growth and still meet contract requirements," said Tom.

UESF

COMPANY OVERVIEW

Established in 1983, Utility Emergency Services Fund is committed to a holistic, preventive, and cost-efficient approach to assisting vulnerable families impacted by housing crises. The nonprofit organization serves as a one-stop shop offering immediate resources and empowering families in Philadelphia to address the root causes of their utility and housing crisis.

EXECUTIVE SUMMARY

Industry: Nonprofit

Results with Sage Intacct:

- Shortened the monthly close process by 33%
- Sped weekly AP payments by 83%
- Reduced non-program overhead by 12%
- Gained efficiency and confidence needed to support 166% contract growth
- Informed strategic priorities through improved financial visibility.



Public assistance nonprofit increases impact while decreasing non-program overhead by 12%



“With Sage Intacct in place, we have confidence that we can easily handle these higher transaction volumes and more complex reporting requirements because we’ve decreased our non-program overhead by 12%.”

TOM MALECKI

Director of Finance and Operations, Utility Emergency Services Fund



COVID-19 also forced a reckoning with Utility Emergency Services Fund’s paper-heavy environment. “We were distributed all over the city, working from home, and could no longer maintain our legacy processes. It was the impetus we needed to fully embrace Sage Intacct’s electronic workflows,” remembered Tom. “Most of our accounting volume is on the payables side, and before, it took around 12 business days to pay a participant’s rent or utility bill. Now we do it in two days because our program directors can review vouchers online and most landlords accept ACH payments, so we’re not waiting on physical sign-off or printing of hundreds of checks,” said Tom.

The team also saves time through recurring payments in Sage Intacct. They set up landlord payments in the system once a year, and from then on, those transactions are booked automatically at the first of every month, saving a day’s worth of manual data entry. Together, these time-saving processes have slashed Utility Emergency Services Fund’s monthly close by one-third and reduced non-program overhead by 12%.

RESULTS

Rich Insight Improves Program Transparency and Impact

Another key benefit of the new system is increased visibility across the organization, which helps Utility Emergency Services Fund report on and advance its mission. For example, Sage Intacct makes it easy to calculate return on program investment, showing the difference between spending \$1,500 to help someone pay an electric bill so they can stay in their apartment, versus spending \$40,000 a year to house them in a shelter following eviction. “Sage Intacct puts really good data at our fingertips, making it easy to build powerful reports for donors that clearly illustrate how their funding is spent on direct assistance,” shared Tom. “This connects our supporters in a very real way to the people their funds impact,” said Tom.

Utility Emergency Services Fund uses Sage Intacct’s customizable dashboards to inform the finance team’s planning, as well as to educate the rest of the organization on performance trends. With dashboards that display cash balances, net assets, revenues and expenses by function, accounts receivables, and more, Tom can easily monitor key metrics and increase awareness of program spending – improving the nonprofit’s agility and ability to plan ahead. “Sage Intacct helps us understand where to accelerate or where to slow things down,” he said. “We get both a high-level overview, and the ability to drill down and really understand the full 360-degree-view of Utility Emergency Services Fund’s financial health. For example, during the pandemic we were able to quickly analyze our technology and communications spend and feel comfortable upgrading our technical infrastructure and phone system for work at home,” said Tom.

This increased visibility has led to a smoother audit process and better oversight of Utility Emergency Services Fund’s cash flow. “I know that the monthly numbers coming out of Sage Intacct are reliable, giving me confidence to handle the grant level accounting and get reports set for the annual audit,” commented Tom. “We’re able to do a lot of forecasting and analysis we previously couldn’t handle, and with all the new contracts and growth we’ve seen this year, it’s comforting to know that the data we’re working with is accurate,” said Tom.

“With Sage Intacct’s grant accounting capabilities, we’ve been able to very quickly respond and scale to the growing needs of our community.”

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Director of Finance and Operations, Utility Emergency Services Fund



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