

## Janice Bigelow, CPA: Becoming the First CFO at Communities In Schools

**Position:** Chief Financial Officer (CFO), Communities In Schools

**Start Date:** January 2005

**Education:** BA, Accounting, Lycoming College; Certified Professional Accountant (CPA)

**Previous For-Profit Experience:** Eight years tax/accounting manager, assistant controller for Kiplinger Washington Editors, Inc.

**Previous Nonprofit Experience:** Director of finance for various nonprofits including the Pew Center on Global Climate Change and a school for children with development deficiencies

**Organization Information:** Educational services; founded in 1977; based in Alexandria, VA; 37 staff; \$15 million budget

Janice Bigelow joined Communities In Schools (CIS) as its first full-time CFO in January 2005. For several years, CIS had outsourced its entire accounting department. Before taking the CFO job, Janice conducted a thorough investigation of whether or not the organization was truly ready to hire its first CFO.

“I had really good discussions with the CIS management team about how they had gotten to the point where they needed a CFO,” Bigelow explained. “They had recently completed a strategic planning process and as a result of that process they realized they needed someone with a strong financial background to oversee their finances. Having outsourced their financial management for many years, they didn’t have a lot of financial expertise among the staff. My predecessor who had oversight for the outsourced accounting team had no formal accounting or finance experience. Additionally, the outsourced accounting team was costing CIS a lot of money. In my interviews with the president and board chair, they made it clear that going forward I would have the opportunity to make my own decisions about how to structure and build the accounting team.”

Bigelow also carefully assessed the board of directors’ involvement in the organization and its perspective on fiscal management. “I interviewed with the president, senior staff, and two people on the board of directors at CIS, including one member of the finance committee and the chairman of the board of directors,” said Bigelow. “You can get a lot out of interviews and assess whether the board members are engaged or not. I asked questions about the finance committee, including how often they met, and asked them to describe the role the committee played in the organization. They were very open with me that the finance committee was a newly formed committee and that at a minimum they expected to meet prior to

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each monthly board meeting. That frequency of meeting, for both the finance committee and the board overall was a positive sign. If they were meeting less than three times a year it would have been a red flag.”

After conducting many interviews and additional due diligence, Bigelow felt assured that CIS was ready for its first full-time CFO and that there was a good fit between her skills and abilities and the needs of the organization.

When asked what advice she would give to others in the same situation, Bigelow suggested the following steps:

1. First make sure you feel strongly about the mission of the organization. You've got to be able to intrinsically say that you're proud of what the organization does.
2. Ask to see the organization's financial statements and use GuideStar ([www.guidestar.org](http://www.guidestar.org)) to look at the Forms 990 the organization has filed with the Internal Revenue Service for the past several years. You can get a lot out of an organization's 990s, including its sources of revenue; how much it spends on programs, administration and fundraising; and how much it pays its top staff. Go to the organization's website and look at its annual reports.
3. Make sure you have a deep understanding of the financial picture for the organization—past, present, and future. Nonprofits are typically grant-funded and those grants can change so quickly that what looked one way on last year's financials could be very different this year.
  - a. Ask to see a copy of the organization's current internal statements and its most recently completed year-end audit.
  - b. Ask about the strategic plan for the organization. Has there been one done in the last five years? If there is a plan, are they following it and at what stage are they in the plan's implementation? If they're not following it, why not?
4. Ask about the organization's standard procedure for reviewing monthly financial statements. If reviews are only done quarterly, it would be a red flag. Find out if the CFO would be sitting down with the executive director (ED) to review financials every month, and if not, whether the ED is interested in having this happen.
5. Find out how interested members of the board of directors are in the financial aspects of things. If you hear back that they don't care, or that they just rubber stamp the budget (you'd be surprised how people will answer this question)—that's another red flag.

Said Bigelow of her impact thus far as the first CFO of CIS, “I feel like I have had a significant impact here at Communities In Schools. By bringing our financial accounting staff in-house and continuing to look for

ways to improve efficiencies within my team, I was able to help save the organization close to \$300,000 annually and provide excellent services. I've joked with my colleagues that from the beginning the bar was low for the CFO job because they didn't have anybody in the position. But it's definitely a good feeling when folks tell you that they're happy with the impact."

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