



Financial Management Services

Applying best practices and customized interventions, Root Change provides NGOs, CBOs, and FBOs with cost-effective strategies to build sound financial capacity. Root Change’s financial processes and tools have been developed based on extensive grants management experience, attention to high compliance standards, and innovative institutional strengthening initiatives. Thus, while enhancing financial management and organizational accountability, Root Change’s approach also fosters better programmatic-financial integration and increasing financial participation in the organizational strategy process.

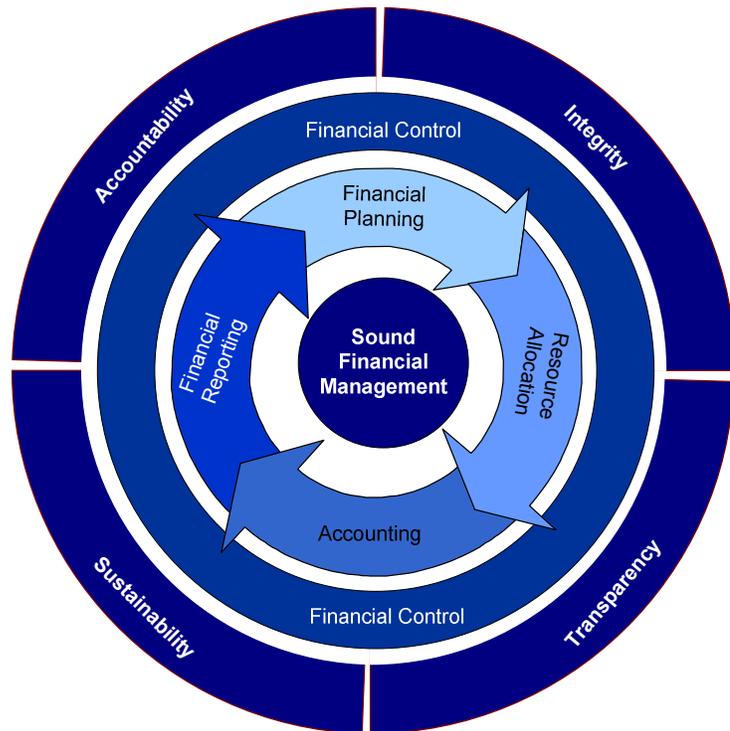
Sound financial management is a key piece in implementing development projects and in achieving sustainable impact. A solid financial framework lies on well-designed financial policies and systems that streamline processes, provide valuable information, keep efficient overhead rates, and increase donor’s confidence.

In structuring the financial function, successful experiences show the importance of taking into account the nature of the organization’s operations, stakeholders’ needs, and the working context. Nonetheless, the most important factor in building financial capacity resides in a skilled, committed team eager to create value and support the organization’s mission.

Through comprehensive diagnostics, facilitated self-assessments, accounting analysis, and financial reviews, Root Change’s approach enhances the availability of financial information for decision making, improves resources management, promotes timely and accurate reporting, and supports risk management.

In collaboration with the United States Agency for International Development, The Nature Conservancy, John Snow Inc, Conservation International, Dian Fossey Gorilla Fund International, Lutheran World Relief, Jane Goodall Institute, Pan American Development Foundation, and other partners, Root Change has enhanced the financial capacity of a wide number of development organizations across Africa and Latin America.

Financial Management Framework



Root Change's Financial Management Framework

Anchored in the principles of accountability, sustainability, integrity, and transparency, Root Change's framework strengthens the following financial processes.

- ☑ **Financial Planning** crucial to foster coordinated comprehensive strategies for the achievement of financial organizational goals
- ☑ **Resource Allocation** critical to enable the implementation of activities according to programmatic priorities, funds availability, and changes in the working context
- ☑ **Accounting** essential to record, classify, and summarize all organization's transactions in a significant, clear manner
- ☑ **Financial Reporting** fundamental to communicate meaningful and timely information to the organization's key stakeholders
- ☑ **Financial Control** central to performance monitoring, enforcement of financial policies, assets stewardship and risk management

Strengthening the financial capacity of conservation organizations

As part of a conservation agency efforts to build the capacity of its partners, Root Change facilitated a Financial Assessment Process with four organizations in Democratic Republic of Congo and Rwanda. The overarching goal of this process was to strengthen the financial capacity of the selected organizations to operate in accordance with sound financial principles.

Thus, combining technical assistance, training, and in depth interviews, the Root Change team facilitated the analysis and evaluation of aspects such as financial policies, internal controls, budgeting, accounting practices, cash management, procurement procedures, assets management, and financial reporting. Throughout the process, participant organizations gained a better understanding of the importance of programmatic and financial integration, key areas of improvement in their financial systems, and the practicalities of the USAID rules and regulations.

The financial assessment process also allowed reflecting on financial findings, provided technical suggestions, and facilitated the crafting of concrete action plans to enhance financial management and organizational accountability.

Outcomes

A financial capacity strengthening process fosters a better strategic – operational alignment, improved financial systems, and enhanced accountability. Throughout a participatory process, Root Change facilitates the development of financial assessments, financial policies, cost structuring, financial action plans, indirect cost analysis, and financial scorecards.

For more information on how you and your partner organizations can take advantage of Root Change's Business Planning services, please contact Guillermo Rivero at grivero@rootchange.org