

Success Story

Nonprofit saves 50 hours a month and heightens social impact

DonorsChoose

“Sage Intacct delivers major productivity improvements for our team, but more importantly, it gives us access to trusted financial data on a real-time basis, which is a major benefit across our organization.”

Alliah Mohamed

Director, Accounting & Financial Operations, DonorsChoose

Company overview

DonorsChoose is the leading platform for giving to public schools. Teachers across America use the site to create projects requesting resources their students need, and donors give to the projects that inspire them. Since its founding by a Bronx teacher in 2000, more than 3.7 million people and partners have given \$820 million to projects reaching 33.7 million students. Unique among education funding platforms, the DonorsChoose team vets each project request and ships resources directly to the school. Every donor receives photos of their project in action, thank-yous from the classroom, and a cost report showing how every dollar was spent.



Executive summary

Previous software:

- Blackbaud Financial Edge

Results with Sage Intacct

- Increased overall finance team efficiency by 20%.
- Saved 50+ hours per month on rev rec, reporting, and AP.
- Shortened monthly close by 60%.

Sage

Company
DonorsChoose

Location
New York, US

Industry
Nonprofit

Sage Products
Sage Intacct

**DONORS
CHOOSE**



Since going live on Sage Intacct, DonorsChoose has eliminated more than 50 hours of manual work each month.

Nonprofit saves 50 hours a month and heightens social impact

DonorsChoose is an online charity that makes it easy for anyone to help students in need. Teachers at nearly 81,000 public and charter schools in America have created at least one project request on the site since it was launched in 2000, and roughly 3.8 million people have donated close to \$821 million to fund more than 1.4 million projects, impacting 33.7 million students. The nonprofit's annual revenue has grown to \$140 million in donations to classrooms last year.

In light of its rapid growth, DonorsChoose decided to replace its siloed Blackbaud accounting system, and implement new cloud solutions for fundraising, supply chain procurement, customer support, file storage, and expense reporting. "As our transaction volumes exploded, we wanted to automate our financial processes and needed a modern financial management solution that could seamlessly integrate with our other cloud software like Salesforce," said Alliah Mohamed, Director of Accounting & Financial Operations at DonorsChoose.

Since going live on Sage Intacct, DonorsChoose has eliminated more than 50 hours of manual work each month while generating new insights that help heighten its impact on U.S. education. "Making the switch from Blackbaud Financial Edge to Sage Intacct has saved us tremendous amounts of time by minimizing data entry and providing intuitive, powerful reporting that we just didn't have before," Alliah said.

A 20% improvement in finance team productivity

DonorsChoose worked with Sage Intacct partner Brittenford Systems to implement Sage Intacct cloud accounting software. One of the biggest struggles the finance team had before moving to Sage Intacct was revenue recognition for corporate grants. Because Blackbaud Financial Edge was not integrated with Salesforce, finance had no general ledger visibility into when grants were secured or received by the development team. By connecting Sage Intacct and Salesforce, they've streamlined this process and cut out a full day of manual work each month — eliminating duplicate data entry and gaining complete visibility into the grant lifecycle.

In addition, the nonprofit has modernized its accounts payable (AP) process with Sage Intacct, integrated with the DonorsChoose portal through which teachers submit receipts for reimbursement. The integration lets teachers view payment status, resulting in a 73% reduction in teacher inquiries and saving 30 hours a year. Overall, the finance team cut its AP workload from two days to two hours, even as check volumes grew to 300 a week. Finance has eliminated 10 hours of check-writing every month with the Sage Intacct Check Delivery Service powered by American Express and is saving more time by automating transactions with its bank.

Much of the team's Excel-based reporting was replaced by Sage Intacct custom reports, saving at least another day each month and helping to reduce the monthly close from 10 to only four days. Finance team productivity has risen more than 20% because of Sage Intacct, which frees up a day or so per week that each person can spend on value-added activities like tracking restricted funds or compliance initiatives. Despite the organization's rapid growth, the finance team has increased from five to just six staffers, with one individual added for financial planning.



More gains with new Sage Intacct budgeting and planning

Real-time insights build on the visibility into financial and operational metrics that DonorsChoose has through Sage Intacct dashboards. Finance team members use dashboards daily to track metrics like program expenses, cash balances, and accounts receivable. Reporting on operational metrics such as spending per unit for classroom projects or cost per customer service call provides further insights for more informed decision making.

Because of the limitations of recording grants in Blackbaud Financial Edge, the team had no visibility into partner-specific revenue prior to implementing Sage Intacct. Now they can view real-time receivables for each individual grantor at a glance, and the development team can see this same information in Salesforce at any time. “In many nonprofits, there’s a bit of a disconnect between the development team and the finance team because they’re each counting things differently,” noted Alliah. “With Sage Intacct’s seamless connection to Salesforce, that whole conversation and frustration has evaporated. We’re always in synch because both teams work off the same accurate data,” Alliah added.

The breakthrough insights through Sage Intacct, coupled with time and cost savings in finance, are helping DonorsChoose maximize its social impact. And they contribute to a high rating on Charity Navigator and similar websites that prospective donors examine, which encourages additional funding. “Sage Intacct has helped us achieve and maintain a really high charity score,” Alliah said. “The benefits we’ve seen with Sage Intacct have been extremely valuable in supporting our mission of supplying donor funded materials and equipment to schools in need,” Alliah concluded.



Sage

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