

EAB SOLUTIONS CASE STUDY

**How EAB Solutions helped
Community Youth Network**

**grow net income
by 190%**

———— & ————

**safeguard its
future success**



190%

**Increase in net
income**

\$32.5k

**Cost savings
anually**

1,600%

**Increase in
operating cash**



“

Working with EAB Solutions allows us to grow and expand in ways we would've never been able to. Our overall budget has increased from \$1m to almost \$1.5m, which means we can deliver our services to even more people who need it.

”

Gail Weil

Executive Director,
Community Youth Network

Challenges



Community Youth Network (CYN) is a not-for-profit counseling center that offers support services in areas such as abuse, neglect, depression and anxiety to individuals and families.

From its base in Grayslake, IL, CYN helps hundreds of people every year to overcome life's challenges - and realize their untapped potential.

Burdened by finance, unable to fundraise

Managing budgets, funding and compliance can be a challenge for any not-for-profit organization. So when Gail Weil, Executive Director at Community Youth Network, had to lose a long-standing finance manager, that challenge was quickly exacerbated.

"It's not like your typical bookkeeper could just come in here and do the job... it's really complicated," says Gail. ***"Trying to find somebody and get them trained and understanding everything was a nightmare, so a lot of that was falling to me, doing payroll and paying bills just to keep things going."***

Taking on responsibilities that weren't her forté didn't only cause Gail significant anxiety; every minute, hour or day spent on finance was time Gail couldn't spend focused on the agency's real mission: to transform lives in their community.

"I was personally super-stressed," she explains. ***"Doing those functions meant I wasn't able to do the other things I needed to do for the agency, like fundraising and reaching more people who need our help."***

Gail's problems went deeper, too. Financial management of a not-for-profit is incredibly complex, requiring comprehensive reporting and audits, accurate funding allocations and a close analysis of budgeting, cash flow and projections. Understandably, Gail often felt anxious and frustrated.

HIGHLIGHTS

Challenges

Thrown into turmoil by departure of dedicated finance manager

Complex financial duties suddenly fall to CYN's Executive Director

No time to spend on value areas such as fundraising

Findings from State agencies needed to be urgently resolved

Any mistakes could put the future of agency at risk

Solutions

CYN brings EAB Solutions on board after glowing recommendation

Fear and stress taken out of reporting, auditing and other complex tasks

Comprehensive financial review leads to dramatic cost savings

New allocation methodology allows CYN to capture more revenue and reduce support service costs

Time and resources freed up to help agency expand

Results

Review of vendors results in game-changing business savings of \$32k/year

Funding allocation and compliance streamlined - meaning no more stress or missed deadlines

Budgets cleaned up and pay increases awarded to staff members

50% budget increase allows CYN to reach more families in need

26% decrease in debt ratio

Restructuring of loans saves \$13k/year in interest

Renegotiation of corporate insurance saves \$12k/year

“Because we have therapists that work in different programs, and kids that could be supported by different funding sources, it gets tricky to make sure we’re allocating the proper resources,” Gail explains. **“Because we get State money, there are all of the reporting requirements... it’s just really complicated. When we had a State audit, they were asking for things and I had no idea where to put my hands on them.”**

With a huge weight already on her shoulders, Gail faced the troubling reality that any financial oversight could threaten the very future of the organization.

“A bad audit could have led to the State closing down our program,” Gail explains. **“They could have suspended our payments... it could have affected us when we went back to get our licensure. So it could have affected us in lots of negative ways.”**

With the agency’s future success in the balance, Gail began her search for a partner to relieve her day-to-day anxieties, enhance the agency’s finances - and safeguard its future.



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Solution

Taking the fear and anxiety out of finance

Determined to fix the problem fast, Gail asked a trusted associate for recommendations of an experienced finance expert who understood her world.

“She was working with EAB Solutions herself and told me all about (CEO) Shanam Egger,” explains Gail. ***“He came out and met with me and did a proposal. I did all my due diligence, proposed the solution to the Board, and we hired them.”***

Because the recommendation came from someone Gail holds in high esteem, she found it easy to put her faith in EAB.

“I kind of threw myself on their mercy,” explains Gail. ***“I said: ‘here’s where we’re at, here’s what’s going on.’ And they fixed it!”***

EAB immediately applied its passion for finance and non-profit expertise to help Gail successfully complete an important State audit.

“(The auditor) had been asking me for things that I had no idea where they were or how to find them.” Gail explains. ***“EAB came in right around that time, and they were able to get everything together and we ended up with a clean audit.”***

Next, EAB conducted a wholesale review of CYN’s spending, cash flow, debts and more - looking for opportunities at every step to reduce costs, increase revenue and capture funds that could be channelled back into the organization.

“They worked to reduce costs by looking at different vendors, which is something I never had time for,” explains Gail. ***“So we’ve saved on insurance, changed our bank and restructured our loans, which has helped find the money to do more of what we need to do.”***

Across the business's financial foundations, EAB has worked to make them efficient and effective. In doing so, they've alleviated the mental stress and day-to-day distractions for Gail.

"It's been wonderful," she smiles. "They're a wonderful resource whenever questions come to me and I don't know what they mean. It's nice to have them there to say: 'what does this mean, what do I need to do?' and to have that resource because before, I was it."

As the relationship has grown, EAB has expanded its services to CYN. Alongside its exceptionally hard work on finance, it now provides IT and HR support. Every piece of the jigsaw has given Gail valuable time back to focus on growing the agency for the greater good.

"I can now concentrate on things like growing the program and we've achieved a lot of growth this year," enthuses Gail. "If I didn't have EAB, there's no way I could've gone out and got the grants I did. So it allows us to grow and expand in ways we would've never been able to before."



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Results

50% budget increase helps CYN reach more people in need

Once EAB Solutions came on board, CYN experienced a rapid change in fortunes. A study into the company's expenditures uncovered substantial waste and overspend, particularly in the areas of insurance and debt interest.

"EAB requoted our commercial insurance, saving us \$12k a year and renegotiated our bank terms, which saved us \$13k a year in interest," Gail explains. ***"A review of the cost-effectiveness of individual vendors also helped us cut \$4,000 across services like internet, phone and credit card and \$3,500 from audit fees."***

EAB also tackled CYN's confusion over fund allocation head-on, developing a new methodology that allocates expenses correctly and reduces spending on general and administration. Compliance has also become stress-free and ultra-efficient.

"Where we'd been struggling to supply the right documents for auditing purposes before, EAB used its expertise to create better internal controls and adjusted accounting policies to ensure we continue to meet our requirements, without any mistakes or missed deadlines," beams Gail.

Cash flow, the lifeblood of any business, has also skyrocketed thanks to new policies and technology put in place by EAB. Automation software has been introduced to simplify and speed up the jobs of billing clients and sending overdue notices. Meanwhile, the team also invoices State agencies quicker than before to encourage faster payment.

"We've seen cash on hand go from \$3k last year to almost \$100k this year!" Gail says. ***"Originally I was just hoping that things would get straightened out, but EAB is also invested in making sure we're as efficient as possible."***

Undoubtedly, one of the biggest wins from working with EAB has been the amount of time it has created in Gail's calendar to get out and pursue extra income, and grow the agency. Net income has soared by 190% and the agency's overall budget has seen a breathtaking 50% upsurge from \$1m to almost \$1.5m.

"It's so exciting," Gail enthuses. "Because I don't have all these things to worry about, it allows me to concentrate on other things, which is terrific. (The extra money) means we're reaching more people and delivering services to those who need it. So that's what we want to do, ultimately."

Thanks to the huge cost savings and surge in income that have been achieved, CYN has been able to reduce its debt, reach more clients and reward its loyal team with long overdue pay increases.

"EAB has been instrumental in helping us figure out budgets that work, so we can pay our staff what they're really worth," says Gail. "This is fantastic for staff retention."

Unsurprisingly, Gail couldn't recommend EAB Solutions highly enough.

"The financial stuff has been terrific," Gail explains. "But what really surprises me is how easy and personable they are to work with. I truly feel like they're invested in our success, not just because it means longevity for them in this role, but because they have a vested interest in seeing this agency grow and prosper. It's kind of my way of doing business too. I like when people are personal and down to earth and can work with you."



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