

QUESTION: How do you manage your accounting processes?

Expectations:

1. Automated cashbook/accounting system.
2. Adequate for the needs of the organisation.
3. Personnel skilled or trained in the use of the accounting system.
4. System and processes ensure accurate and reliable collection of member contributions.
5. Regular review ensures correlation between levies and member numbers.
6. Board and staff/volunteer expertise in basic financial management. (RSO)

Detailed Expectations for 'Sustainable' Organisations:

1. Automated cashbook/accounting system. (e.g. MYOB, Xero, Quicken).
2. Adequate for the needs of the organisation. (e.g. system able to manage purchasing, membership payments, employee payments, cash flow management, budgets, monthly reporting and annual financial reports).
3. Personnel skilled in the use of the accounting system. (e.g. Accountant or Finance Manager is on staff or contracted, or Treasurer role is qualified accountant and/or trained in accounting system).
4. System and processes to ensure collection of member contributions is accurate and reliable. (e.g. online registrations and payment option, member database with payment information).
5. Regular review to ensure correlation between number of members and levies received. (e.g. checks and balances with monthly update on membership income received and outstanding levies).
6. Board and staff/volunteer expertise in basic financial management. (e.g. one/some Board members have experience in financial role or managing a budget and finances).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Financial Management \(Running Sport\)](#)

[SPARC – Financial Management \(ClubKit\)](#)

[SPARC – Accounting Systems and Software \(ClubKit\)](#)

[SPARC – Accounting Software Quiz](#)

[Community Net – Financial management in community organisations](#)

[Inland Revenue Dept – Smart Business Guide \(includes Not for profits\)](#)

[Community Net – Financial record keeping \(accounting systems\)](#)

[www.business.govt.nz – Managing your office systems](#)

[Xero – online accounting services](#)

[Blue Avocado - Non-Profit Embezzlement: more common and more preventable than you think](#)

[Blue Avocado - Tracking volunteer time to boost your bottom line](#)

[Blue Avocado – Five internal controls for the very small non-profit](#)

ID Number: 122 Ref: F1.1-2

QUESTION: How do you make sure your budget is managed effectively?

Expectations:

1. Annual budget of revenue and expenditure is prepared in advance.
2. Minimal risk around budgeted income streams.
3. Clear accountability for budget management (organisational and individual).
4. Budget reviewed monthly (or as appropriate) by the Board.
5. Year-to-date variance on revenue and expenditure reported and monitored.
6. Funder/sponsor funding tagged and monitored to meet financial obligations.

Detailed Expectations for 'Sustainable' Organisations:

1. Operational activity is budgeted for. The organisation prepares an annual budget showing proposed expenditure and income linked to annual plans. Consideration given for provision for annual maintenance of facilities and capital replacement (e.g. replacement of playing surfaces, clubhouse etc) Income is greater than expenditure unless the Board has approved use of reserves.
2. Minimal risk around budgeted income streams. (e.g. standard operating activity is not based on unconfirmed grant funding, variable income such as merchandising sales is not critical to ongoing operations etc).
3. Clear accountability for the management of organisational and individual business unit budgets. (e.g. Finance Subcommittee charged with overall authority, Leader/CEO has delegated levels of authority for operational spending, operational staff have budget responsibility related to their work e.g. Coaching Director manages coaching budget etc).
4. Budget reviewed monthly (or as appropriate) by the Board. (e.g. performance vs budget, forecast of adjustments required to budget and/or operating activity given current state).
5. Year to date variance on revenue and expenditure reported (including adequate explanations) and monitored. (e.g. Finance Subcommittee provide assessment to Board based on reporting provided and explanations from by CEO/Leader as appropriate).
6. Funds for specific uses are identified and monitored to ensure financial obligations and accountabilities set by funders/sponsors are met. (e.g. separate accounting codes for each Grant or Sponsor funding with expenditure tagged to those, ongoing reporting on amount spent/available for each Fund).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Financial Management \(Running Sport\)](#)

[SPARC – Financial Management \(ClubKit\)](#)

[SPARC – Budgets \(ClubKit\)](#)

[SPARC – Operating budget sample](#)

[SPARC – Budget example](#)

[Community Net – Financial management in community organisations](#)

[Community Net – Financial planning \(budgets\)](#)

[Community Net – Financial reporting \(keeping track of grants\)](#)

[Alberta NFP – Financial responsibilities of not for profit Boards \(Canada\)](#)

Alberta not-for-profit sector – Budgeting for Not-for-Profit organisations

Community Net – Planning and budgeting for IT equipment

NZ Institute of Chartered Accountants – Budgeting (not for profits)

SPARC – Seminar Programme (Managing financial performance)

Blue Avocado - Tracking volunteer time to boost your bottom line

ID Number: 380 Ref: F1.2-2

QUESTION: How do you make sure your cash flow is managed effectively?

Expectations:

1. Cash flow clearly linked to the Annual Plan.
2. Cash flow reviewed monthly by the Board.
3. Cash flow variance reported (including adequate explanations) and monitored.
4. Action taken to address issues to maintain positive cash flow position

Detailed Expectations for 'Sustainable' Organisations:

1. Cash flow clearly linked to the Annual Plan. (e.g. evidence of timing of major income sources such as key organisation event income and payments, sponsor/grant funding payment dates, membership levy payments, levy due dates, salary and wage payments, IRD payments etc).
2. Cash flow position and forecast reviewed monthly by the Board. (e.g. reported on by CEO/Leader and/or Finance Subcommittee, monthly and YTD actual vs. budgeted cash flow, relevant trends and comparisons). Cash flow forecast to identify if heading into cash surplus (e.g. time to invest) or cash deficit (e.g. time to borrow, cut expenditure or increase revenue)
3. Cash flow variance reported (including adequate explanations) and monitored. (e.g. reporting allows planning around dips in income so good forecasting can ensure expenses are met, accountable person/Leader/Board tracks progress on cash flow issues as relevant).
4. Action taken to address issues to maintain healthy cash flow position (e.g. managing access to investment income as necessary, reducing discretionary spending, cancelling or moving cash flow-dependent projects that are not possible in the current cash flow state, investing surplus etc)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Financial Management \(Running Sport\)](#)

[SPARC – Sports club financial management \(ClubKit\)](#)

[SPARC – Cash flow forecasting \(ClubKit\)](#)

[Community Net – Financial planning \(cash flow forecasts\)](#)

[Community Net – Business plan template for not for profits \(cash flow forecasts\)](#)

[www.business.govt.nz – Managing business cash flow](http://www.business.govt.nz)

ID Number: 123 Ref: F1.3-1

QUESTION: How do you make sure your financial reporting is appropriate?

Expectations:

1. Financial reports are regular and accurate.
2. Meaningful reports contain necessary information to effectively manage financial performance and financial position.
3. Accountabilities and process for variances/ issues to be investigated and reported on.
4. Monthly management accounts include budget vs actual revenue and expenditure, cash flow, activity costs and other information as required.

Detailed Expectations for 'Sustainable' Organisations:

1. Financial reports are regular (e.g. at least monthly reporting as close to month end as possible to quickly identify trends and take corrective action). Reports are reliable (e.g. accurate and factual, presented in simple format with graphs/diagrams, dollars coded to correct account codes and charged against correct budget line, reasonable accrual estimates when time is important)
2. Meaningful reports contain necessary information to effectively manage financial performance and financial position. Monthly Statement of Financial Performance showing income and expenditure (profit and loss) and Monthly Statement of Financial Position showing assets, liabilities and equity (balance sheet). Used by the Board to ensure organisation can continue to operate in a solvent manner, given personal liability implications. Need to be meaningful to allow management by exception (e.g. highlight variances to quickly identify positive outcomes or problems). Use of RAG-indicated reporting may be valuable (i.e. red, amber, green colouring to indicate bad, ok, good status). Should align to standard financial requirements as well as any key financial performance indicators that relate to annual/strategic plan.
3. Accountabilities and process for variances/ issues to be investigated and reported on (e.g. staff/committees have accountability for various operating budgets and where actual to budget variances are outside acceptable levels of tolerance there is a clear process for those accountable to investigate further, report back and take necessary corrective action).
4. Monthly management accounts include budget vs actual revenue and expenditure, cash flow, activity costs and other information as required. (e.g. monthly and YTD figures for all key areas, activity costs vs budget to allow reallocation of funds across activity areas as necessary, review of monthly accounts receivable/payable to action outstanding amounts, monitoring of amounts tied up in stock to ensure appropriate levels).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Financial Management \(Running Sport\)](#)

[NZ Institute of Chartered Accountants – Financial Reporting \(Not for profits\)](#)

[NZ Institute of Chartered Accountants – Financial reporting standards](#)

[SPARC – Financial Management \(ClubKit\)](#)

[Community Net – Financial management in community organisations](#)

[Community Net – Financial reporting \(keeping track of grants\)](#)

[NZ Institute of Chartered Accountants – Financial governance \(Not for profits\)](#)

ID Number: 381 Ref: F1.4-1

QUESTION: How do you make sure your financial processes comply with legal requirements?

Expectations:

1. Compliance with relevant financial legislation (i.e. IRD, Incorporated Societies Act, Companies Act, Charities Act).
2. Accountability and/or 'use of funds' reports completed and accepted.
3. External certification and/or audit may be necessary in some cases.
4. Annual audit ensures sound financial processes are in place and being followed.
5. Audit trails present.
6. Annual audit issues addressed in a timely manner.

Detailed Expectations for 'Sustainable' Organisations:

1. Compliance with relevant financial legislation: IRD (e.g. PAYE, Kiwisaver, Annual Tax Returns, GST), Incorporated Societies Act (e.g. rules, membership fees, registered office, submit annual financial statement, annual meetings i.e. AGM, membership list, financial records, common seal etc), Companies Act, Charities Act etc.
2. Accountability/use of funds reports completed and accepted. (e.g. particularly required by funding organisations, councils etc). A mandate for members guides the use of financial reserves (e.g. constitution may dictate what level of reserves is required and limitations on usage or controls around spending of additional reserves)
3. External certification/audit may be necessary in some cases (e.g. requirement of constitution or statute, after a history of financial difficulty etc)
4. Annual audit ensures sound financial processes are in place and being followed (e.g. consider truth and fairness of financial statements, identification of financial risk areas, commercially based constructive advice on improvements in internal accounting and control systems, highlight any inaccuracy of information relied on for management decision-making, constructive observations on organisation's future plans, and compliance with statutory responsibilities)
5. Audit trails present (e.g. qualified independent auditors contact details, letter of engagement setting out terms of audit relationships, copy of audit findings letter).
6. Annual audit issues addressed in a timely manner (e.g. changes that are required following an audit are dealt with quickly, i.e. tightening up of recordkeeping processes or accountability and signing authorities etc). The typical process: audit/finance committee have clearance meeting with external auditor to review results, audit findings letter is used as action document for necessary actions, Board track and sign-off that audit findings have been adequately addressed, Board/staff proactively consider the implications of new accounting and auditing standards)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[NZ Institute of Chartered Accountants – Information to provide an auditor](#)

[Community Net – Basic financial management](#)

[SPARC – Financial Management \(Running Sport\)](#)

[SPARC – Financial management, Audits, Tax and GST \(ClubKit\)](#)

[Compasspoint – Internal controls checklist](#)

[Inland Revenue Dept – Charitable Organisations Forms and Guides](#)

[Incorporated Societies Online](#)

[Societies and Trusts Online](#)

[NZ Institute of Chartered Accountants – Tax and the not for profit](#)

[NZ Institute of Chartered Accountants – Not for profit sector](#)

[Community Net – Financial Management resource](#)

www.business.govt.nz – Business financial regulations

[Blue Avocado - Non-Profit Embezzlement: more common and more preventable than you think](#)

ID Number: 124 Ref: F1.4-2

QUESTION: How do you make sure you have adequate financial policies and procedures in place?

Expectations:

1. Financial procedures and policies are documented.
2. All staff and board members have copies and have been trained.
3. Policies and procedures updated and reviewed regularly by the Board.
4. Internal audit to ensure staff/volunteer compliance.

Detailed Expectations for 'Sustainable' Organisations:

1. Financial procedures and policies are documented. Outlines clearly how the organisation uses and manages its money. Policies specific to your needs but typically providing guidance on the Board's financial responsibilities, controls on expenditure, controls on financial and physical assets, budgetary controls etc.
2. All staff and board members have copies of procedures and have been trained. (e.g. Staff/Volunteer/Board Manuals incorporate the relevant procedures and policies for the specific role, training is provided particularly for key staff i.e. those directly involved in financial procedures)
3. Policies and procedures updated and reviewed regularly by the Board (e.g. timetabled annual review of each policy, reactive reviews should strategic or operational needs require it i.e. change in legislation, change in organisational structure etc)
4. Internal audit to ensure staff/volunteer compliance with policies and procedures (e.g. annual questionnaire to identify awareness of key policies, any violations of procedure and reasons (to identify procedure/policy improvements)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Financial Management \(Running Sport\)](#)

[Know How Non Profit – Financial Procedures Manual](#)

[Compasspoint – Internal controls checklist](#)

[Alberta Not for Profit Sector – Developing Policy](#)

[SPARC – Financial Management \(ClubKit\)](#)

[Blue Avocado – Five internal controls for the very small non-profit](#)

[Community Net – Financial management in community organisations](#)

[Inland Revenue Dept – Smart Business Guide \(includes Not for profits\)](#)

[NSCSS – Simple policies and procedures manual](#)

ID Number: 121 Ref: F1.5-1

QUESTION: How do you understand and manage your revenue streams?

Expectations:

1. Evidence of income/revenue streams identified and breakdown of revenue streams by percentage of total revenue.
2. Documented Management Plan shows understanding of impact/likelihood of risks to revenue streams, and management of those.
3. No undue dependence on income sources that may be unreliable.
4. Short term nature of trust/gaming funding understood and strategies to mitigate risk.
5. Appropriate use of tagged funding and at risk SPARC high performance funding.

Detailed Expectations for 'Sustainable' Organisations:

1. Evidence of income streams identified and breakdown of revenue streams by percentage of total revenue. (e.g. pie graph shows percentage of income from various sources to provide a picture of income diversity and dependence). Expect to see a mix of income from membership, events and competitions, sponsorship, funding grants, sports products/services such as merchandising etc)
2. Documented Management Plan includes management of income risks. Risks to revenue streams understood, including impact and likelihood, and steps taken to mitigate or minimise them. (e.g. annual trend in revenue streams shows growth in targeted areas and reduction in areas of higher risk, strategic or operational plans indicate future revenue emphasis)
3. No undue dependence on income sources that may be unreliable (e.g. key ongoing activities clearly not funded by variable revenue such as merchandising sales, salaried staff on longer term contracts not funded by annual grants etc)
4. Short term nature of most trust and gaming funding is understood and strategies in place to mitigate this risk (e.g. negotiation of longer term funding arrangements, innovative methods to increase income from alternative sources to replace trust/gaming funds etc)
5. Appropriate use of tagged funding and at risk SPARC high performance funding (e.g. accounting codes show trail of expenditure tagged for specific purposes)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

- Example – Bowls NZ 'Mates in Bowls' (MIB) innovative new revenue stream

Further Reference

SPARC – Financial management (ClubKit)

Community Net – Financial management in community organisations

NS Social & Community Services – A guide to developing a fundraising strategy (Ref 301)

Sport Business – Maximising revenue from sports ticketing

Office for the Community and Voluntary Sector - Diversifying income sources and managing costs

ID Number: 115 Ref: F2.3-1

QUESTION: How do you maximise the revenue gained from your current members and participants?

Expectations:

1. Current membership levies/affiliation fees are an accurate reflection of value provided (i.e. not undersold)
2. Appropriate contribution level determined through consultation and comparative data.
3. Appropriate adjustment for inflation and the level of services provided.
4. Effective subscription collection processes to minimise bad debts

Detailed Expectations for 'Sustainable' Organisations:

1. Current membership levies/affiliation fees are an accurate reflection of the value provided (value proposition both tangible and intangibles). (e.g. fees take into account the equipment or facility use/hireage, direct support/services costs, advertising/media costs, governing body levies etc). Appropriate fees charged for services and value provided (fees don't undersell what sport is providing members).
2. Appropriate level for member/affiliate contributions is determined through consultation and comparative data from other organisations. (e.g. comparisons to other organisations/sports that have a similar membership offering, or other private sport and recreation service providers etc).
3. Appropriate adjustment for inflation and the level of services provided (e.g. fees have been reviewed annually taking into account changing organisational costs, strategic goals, membership retention from previous season and economic circumstances etc). Trend of fee increases evident and/or change in services and direct impact on income.
4. Effective subscription collection processes so maximum revenue gained without bad debts (e.g. direct collection from end-customer where feasible, invoicing based on current season membership levels if relevant, timing of invoices to align to best seasonal fit and cash flow requirements, payment policy linked to services provided e.g. representative play for those with membership paid in full etc)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Organisation is 'clipping the ticket' of casual participation in the sport. This may be through new forms of membership or capturing an income stream from casual participation programmes and services. Example – Bowls NZ 'Mates in Bowls' (MIB) innovative casual member revenue stream for clubs
1. Example – Tennis NZ Affiliation product, service and programme offerings and the increasing membership revenue trend over time.
3. Restructuring membership fees on a pay for service basis rather than standard membership price, to gain greater membership income while providing customers with better individual value. E.g. Mt Vic Dojo

Further Reference

SPARC – Mt Vic Dojo case

SPARC – Financial management (ClubKit)

Community Net – Financial management in community organisations

SPARC – Financial Management (Running Sport)

ID Number: 465 Ref: F2.4.1-1

QUESTION: How do you manage your existing sponsorships?

Expectations:

1. Responsibility of dedicated full or part-time staff (possibly outsourced).
2. Sponsorship Plan to manage and develop sponsorships and commercial partnerships.
3. Accurate assessment of current sponsorship properties (i.e. value and attractiveness) documented by external expert.
4. Excellent understanding of current sponsors needs and fit.
5. Sponsorship agreements or contracts in place.
6. Good relationships established with current sponsors.
7. Relevant performance measures reviewed regularly (e.g. sponsor satisfaction).

Detailed Expectations for 'Sustainable' Organisations:

1. Dedicated full or part-time staff; possibly outsourced. (e.g. role of marketing manager, voluntary sponsorship, fundraising and grants coordinator, sponsorship subcommittee, person contracted on commission-only).
2. Sponsorship plan in place including management of existing sponsorships and commercial partnerships and plans to develop these by exceeding the expectations of sponsors.
3. Documented understanding and assessment of current sponsorship properties including value and attractiveness. Likely to be completed by external expert to ensure accurate values established. (e.g. put a dollar value on what you can offer a sponsor in terms of media, how many supporters would have visibility of their brand, potential sales of their product in yours or your member organisations, potential leadership development or corporate sports involvement for their staff, different tiers of sponsorship with aligned packages of offerings etc).
4. Excellent understanding of current sponsors including needs and fit. (e.g. product sales, brand awareness through your membership, active staff involvement, size/location of signage, apparel branding, newsletter advertising, organisational performance updates, sponsor networking functions etc).
5. Sponsorship agreements/contracts in place. (e.g. documentation of what they will provide (i.e. money/contra/people) and what your organisation will provide in return).
6. Good relationships established with current sponsors. (e.g. host sponsor functions, regular contact, open information-sharing, giving not just taking).
7. Relevant performance measures in place and reviewed regularly (e.g. sponsor satisfaction, sponsor retention rates, dollar value of sponsorship year on year etc).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

6. Regular meetings to maximise mutual benefits of sponsorship, mutual alignment of organisational strategies with sponsor, and longer term commitment e.g. [Example - TRI NZ and Contact Energy](#).

Further Reference

[SPARC – Six steps to successful sponsorship](#)

[SPARC – Club sponsorship and funding \(ClubKit\)](#)

[Community Net – Beginners guide to sponsorship](#)

[Funding Information Service \(FIS\) website](#)

[SPARC – Sponsorship proposals \(ClubKit\)](#)

[SPARC – Sponsorship agreement template](#)

SPARC – Appointing a sponsorship fundraising and grants coordinator (ClubKit)

New South Wales Government – Keeping sponsors happy

Blue Avocado - Tracking volunteer time to boost your bottom line

Example - TRI NZ and Contact Energy.

ID Number: 382 Ref: F2.4.2-1

QUESTION: How do you manage relationships with your current funders?

Expectations:

1. Community and Gaming Trusts Funding Plan in place.
2. Current funders and their needs are clearly understood and met.
3. Plan underway to maximise current funding and grants opportunities.
4. Proactive ongoing relationship-building with funders.
5. Longer term funding arrangements developed (where possible).
6. Organisation does not have an over reliance on funding from trusts.

Detailed Expectations for 'Sustainable' Organisations:

1. Community and Gaming Trusts Funding Plan in place (documented). This should include the information identified in expectations 2 to 6. Variety of funders (e.g. Lottery Grants, NZ Community Trust, Perry Trust etc).
2. Identification of current funding sources. Assessment of trust/funder needs. Needs met or exceeded. Expenditure reported in the manner and timeframe required. Funder promoted in agreed way with adequate reporting back. Funding tied to specific events or activities with clear paper trail.
3. Assessment of opportunities for organisation. There's assessment of the most effective way for the sport to maximise grant opportunities. Activity Plan to realise funding opportunities. Part of Community and Gaming Trusts Funding Plan and/or Annual Plan.
4. Proactive promotion of funders, proactive communication of related activities and other ongoing relationship building (e.g. responsible person maintains regular contact, web searching to keep aware of funder news, proactive use of funder logos and sending copies to the funder etc).
5. Longer term funding arrangements developed where possible.
6. Organisation does not have an over-reliance on funding from trusts. At risk trust funding should make up a manageable proportion of expenditure to ensure organisation could function for 6 months in the case of non-renewal of funding.

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Club sponsorship and funding \(ClubKit\)](#)

[Tasman RST SportAssist Resource – Funding and Sponsorship](#)

[Community Net – Raising funds](#)

[Community Net – Financial reporting \(keeping track of grants\)](#)

[Funding Information Service \(FIS\) website](#)

[Community Net – Fundview](#)

[Grants Online – Lottery and COGS](#)

[Blue Avocado - Tracking volunteer time to boost your bottom line](#)

ID Number: 383 Ref: F2.4.3-1

QUESTION: How do you manage your other key revenue streams?

- » *Other revenue streams may include events, programmes, broadcast media, merchandise, products and services, and facilities and equipment.*

Expectations:

1. Evidence of a Funding Plan which identifies other key revenue streams.
2. Requirements to effectively manage these key revenue streams are clearly understood and met.
3. Funding Plan includes actions to maximise the opportunities within current revenue streams.
4. Ongoing relationship building with key suppliers.
5. Longer term arrangements in place where possible (e.g. merchandise suppliers).
6. Organisation does not have an over-reliance on funding from any one revenue stream.

Detailed Expectations for 'Sustainable' Organisations:

1. Funding Plan in place to identify key revenue streams and plan for maximisation. (e.g. media rights, branding usage, fundraising, special event ticketing, merchandise and equipment sales, online supporter services, facility rental).
2. Requirements to effectively manage these key revenue streams are clearly understood and met (e.g. process, quality and volumes of merchandise to be sold for breakeven and for profitability, event ticketing pricing strategies etc).
3. Action Plan underway to maximise the opportunities within current revenue streams (e.g. plan for maximising facility usage and reduce downtime through beneficial partnerships and/or agreements with schools, community groups or other sports or recreation activities, clear focus on marketing and events chosen to get maximum income using available resources, maximising key event broadcast opportunities etc)
4. Ongoing relationship building with key suppliers to get the best deals and allow greater mark-ups/profitability for your organisation and to ensure accurate and timely supply (e.g. product wholesalers, media, event organisers, facility managers, equipment suppliers).
5. Longer term arrangements developed where possible (e.g. broadcast rights, merchandise supply agreements, event management contractor with set fee per event, long-term facility rental agreements etc).
6. Organisation does not have an over reliance on funding from any one revenue stream. At risk funding (e.g. revenue that is dependent on customer consumption and/or out of direct control of the organisation) should make up a manageable proportion of expenditure to ensure organisation could function for 6 months in the case of funding dips.

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Fundraising ideas for clubs](#)

[Community Net – The seriously good guide to fundraising](#)

[Waitakere City Council – Fundraising](#)

[Office for the Community and Voluntary Sector - Diversifying income sources and managing costs](#)

[Alberta NFP – The boards role in fund development](#)

Sport Business – Maximising revenue from sports ticketing

Sport Business – Maximising the value of venues

Sport Business – Maximising the value of licensing and merchandising

ID Number: 466 Ref: F2.4.4-1

QUESTION: How do you measure your financial sustainability?

Expectations:

1. Measure adequacy of reserves in place (e.g. minimum 6 months operating cost).
2. Measure of how realistically expenditure needs are budgeted for.
3. Assess diversity of revenue streams to reduce any over-reliance.
4. Measures for other positive financial indicators (e.g. sponsor and funder satisfaction and retention rates, growth in revenues from members/sponsors).

Detailed Expectations for 'Sustainable' Organisations:

1. Measure adequacy of reserves in place. Results of operating surplus and measure annual amounts applied to reserves (as per policy). Aiming for a minimum of 6 months operating costs in reserves.
2. Measure of how realistically expenditure needs are budgeted for. e.g. use last year's expenditure as a basis, make allowance for economic impacts such as petrol prices etc). (e.g. measure annual trends of the accuracy of budgeting vs actual expenditure, consider variances – is the organisation over or under budgeting and what the implications of that are on financial sustainability)
3. Assess diversity of revenue streams (e.g. measure percentages of income from various sources and trends of these over time. Any over-reliance on a specific revenue stream can negatively impact financial sustainability, so overall percentages and changing trends are important to regularly measure.
4. Measures for other positive financial indicators such as sponsor and funder satisfaction, increasing membership/participation revenue. Also retention of sponsors and funders over time and/or growth in funding/contra value.

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[Community Net – Financial reserves policy](#)

[Community Net – Sustainable funding or self resourcing](#)

[SPARC – How Mt Vic Dojo gained financial sustainability](#)

[Blue Avocado - Tracking volunteer time to boost your bottom line](#)

[SPARC – Online survey tools](#)

[Online Survey Tools e.g. TechSoup NZ, Survey Monkey, GoFetch](#)

[CEO Online – Using KPIs as an organisational scorecard](#)

[Community Driven Institute – Creating and measuring real outcomes](#)

ID Number: 642 Ref: F2.5-1

QUESTION: How do you manage your current membership effectively?

- » *Member management is how you manage the administration of your membership, including registrations, database management and communications with members.*

Expectations:

1. Appropriate member management expertise internally or contracted out.
2. Effectively using your current membership systems and processes.
3. Accurate and functional database of member organisations, customers and volunteers/staff.
4. Capture all potentially useful information on members.
5. Comply with Privacy Act and Electronic Privacy legislation when collecting, maintaining and using data.
6. Strategy and policies developed in consultation with members.

Detailed Expectations for 'Sustainable' Organisations:

1. There is appropriate expertise – qualifications, experience – internally or through use of external consultants including outsourcing.
2. Effectively manage your current membership systems and processes. (e.g. there is a system to track participants, coaches, officials, administrators and possibly stakeholders).
3. An accurate and functional database of clubs, customers (e.g. segmented by participants, high performance athletes, coaches, officials and administrators) and volunteers/staff (indicating those actively delivering services for your organisation and their employment status). This should be reviewed and updated annually.
4. Capture all potentially useful information on members. (e.g. what type of member they are, years as a member, level of involvement, date of birth for rep nominations, occupation or parents occupation for potential sponsors/volunteers, contact details including email, mobile, Skype address, twitter profile etc).
5. Privacy Act and Unsolicited Electronic Messages Act legislation complied with when collecting, maintaining and using data (e.g. authorised data collection and use, subscription based emails and unsubscribe processes etc).
6. Strategy and policies developed in consultation with members (e.g. feedback from members on ease of registration process, staff/volunteer feedback on gaps in data collection etc).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Database assessment quiz](#)

[SPARC – Database basics](#)

[SPARC – Privacy requirements \(ClubKit\)](#)

[Keeping it Legal – Basic overview of Privacy Act](#)

[Privacy Organisation – How to comply with the Privacy Act](#)

[Anti-spam Organisation – Anti-spam legislation](#)

ID Number: 391 Ref: F3.1-1

QUESTION: How do you measure the effectiveness of your member management?

Expectations:

1. Staff/volunteer accountable for member management.
2. Measures of the accuracy and currency of the database of sport membership.
3. Regularity and ease of communication with different groups of members via the database.
4. Measures in place for managing member registration, communication, feedback and complaints.
5. Member satisfaction measured.

Detailed Expectations for 'Sustainable' Organisations:

1. Staff/volunteer accountable for member management.
2. Measures to ascertain the accuracy and how up-to-date the database of sport membership is.
3. Regularity and ease of communication with membership via database (e.g. e-news, targeted emails to specific types of members i.e. juniors).
4. Measures in place for managing member communication, feedback and complaints (e.g. capture and process address incorrect returns, complaints process with measures, online feedback forum etc).
5. Member satisfaction measured (e.g. regular quick web surveys via members-only site or specific questions surveyed via member organisations within the sporting structure or an annual direct-to-all-members survey)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[SPARC – Database assessment quiz](#)

[SPARC – Online survey tools](#)

[Online Survey Tools e.g. TechSoup NZ, Survey Monkey, GoFetch](#)

[CEO Online – Using KPIs as an organisational scorecard](#)

[Community Driven Institute – Creating and measuring real outcomes](#)

[SPARC – Membership databases \(ClubKit\)](#)

[SPARC – Database basics](#)

ID Number: 628 Ref: F3.2-1

QUESTION: How do you make sure your organisation has effective ICT capability?

» *ICT = Information and Communications Technology.*

Expectations:

1. ICT systems and processes effectively support organisational activity.
2. Appropriate expertise internally or through external consultants.
3. Suitable ICT hardware and software is in place.
4. ICT equipment is functional to meet organisational needs
5. Evidence of internet access (i.e. broadband or dialup plan and usage).
6. Lease or ownership arrangements (as appropriate).

Detailed Expectations for 'Sustainable' Organisations:

1. ICT systems and processes effectively support current organisational activity such as reporting and communication. (e.g. reporting, communication, database management, sport-specific technology). Processes around software/hardware purchasing, maintenance/upgrades, internet/email use, security/backup, use of ASPs/freeware, communication standards (i.e. Skype).
2. There is appropriate ICT expertise – qualifications, experience – internally or through use of external consultants including outsourcing. (e.g. a member who works in ICT, a sponsor who will provide advice/support from their IT department etc).
3. Suitable ICT hardware equipment is in place including cell phones, desk phones, desktops, laptops, servers, networking equipment (switches/routers etc), printers, operating systems and versions (e.g. Windows 2000 SP4 or Windows XP SP1, Windows Vista, Windows 7, Mac etc.). Suitable software access (e.g. software for word processing, spreadsheets, database, accounting, publishing, presentations, internet security, communications etc).
4. ICT equipment is functional to meet organisational needs. (e.g. administrators able to complete required tasks, broadband to maximise online productivity, computers work when they're needed etc (as relevant)).
5. Internet access – broadband or dialup (include plan and usage if possible).
6. Lease or ownership arrangements as appropriate. (e.g. leased hardware or cloud computing (e.g. use of SAAS (software as a service) or ASP (application service providers) as relevant

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

3. No major pain points due to inadequate technology (e.g. incompatible systems).
4. No major issues with downtime from lack of functionality or support.
5. No major pain points due to inadequate technology (e.g. broadband vs. dialup).

Further Reference

[SPARC – Information Communications Technology](#)

[Community Net – Choosing the right software](#)

[Community Net – Choosing the right hardware](#)

[Examples of Web-based support available e.g. Xero online accounting software, iSportz online database and information-sharing portal, Sports Clubs NZ Directory, Sportsground websites](#)

[Community Net – IT How to Guide](#)

ID Number: 469 Ref: F4.1-1

QUESTION: How do you make sure your ICT is managed effectively?

Expectations:

1. Processes in place and people accountable to make sure data and information are accurate, reliable, secure, accessible and usable.
2. Personnel skilled in the use of the ICT system to provide training and effective and timely support (e.g. helpdesk).
3. Service level agreements (SLA's) with external organisations as required.
4. Hardware and software appropriately maintained and upgraded.
5. ICT purchasing process and policies (as relevant).
6. Clear accountability and processes for backups.

Detailed Expectations for 'Sustainable' Organisations:

1. Processes and accountabilities to ensure data and information are accurate, reliable, secure, accessible and usable. This is done through the use of technology, data basing, CRM tools, virus protection, firewalls, cupboards for storage of key ICT devices, passwords for computers, policies around opening email attachments and opening files from personal USB/discs, double checking of key data entry, relevant people have access to the software programmes they need (i.e. through a central computer housed at the offices with restricted logons giving different people different access) etc.
2. Personnel skilled in the use of the ICT system to provide training and effective and timely support (e.g. helpdesk). This is likely to be outsourced or managed via online support in smaller organisations, unless particular staff/volunteers have skills in this area.
3. Service level agreements (SLA's) with external organisations as required. (e.g. to manage timely access to software, response rates for network/internet outages, timeframes for replacement or repair of leased hardware etc)
4. Appropriate maintenance and upgrade frequency of hardware and software (e.g. consideration of asset depreciation requirements, organisational need, risk/return of technology advances etc).
5. ICT purchase and procurement procedure and policies (e.g. RFP and/or quote requirements, Board sign-offs, preferred suppliers, ICT support policy, software upgrade policy etc)
6. Clear accountability and processes for backups (e.g. responsibility for tape creation, storage and testing).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Review of technology to ensure effectiveness.
4. ICT systems have a plan of succession (replacement)
5. ICT kept current (patching/updating)

Further Reference

SPARC – Information Communications Technology

Community Net – Choosing the right software

Community Net – Choosing the right hardware

Examples of Web-based support available e.g. Xero online accounting software, iSportz online database and information-sharing portal, Sports Clubs NZ Directory, Sportsground websites

Community Net – IT How to Guide

Community Net – Blogs, quick and easy websites

[Community Net – Using a wiki for your organisation](#)

[Community Net – Planning and budgeting for IT equipment](#)

[Know How Non Profit – Policies and Procedures](#)

[NSCSS – Simple policies and procedures manual](#)

[Community Net – Policies and procedures resource catalogue](#)

[Alberta Not for Profit Sector – Developing Policy](#)

[SPARC – Policy development \(Running Sport\)](#)

[Web Guide – An internet toolkit for community groups](#)

ID Number: 468 Ref: F4.1-2

QUESTION: How do you manage your organisational knowledge effectively?

- » *Managing organisational knowledge allows more informed decision-making, avoids duplication of resources and loss of knowledge and opportunities when staff/volunteers leave, and increases access to the organisations recorded internal knowledge.*

Expectations:

1. The process for collection and transfer of staff/volunteer knowledge is used.
2. Good practices are quickly identified, shared and implemented across the organisation.
3. Strong two-way communications between sporting structure partners.
4. Information and knowledge is collected and transferred up and down the structure.
5. Sport sector or code-led networking opportunities for intra-code information sharing.
6. Websites where best practices are actively shared among relevant stakeholders.
7. Adherence to processes that keep organisational knowledge accurate, reliable, timely, secure and confidential.
8. Relevant information gathered and used for strategic and operational performance reviews.

Detailed Expectations for 'Sustainable' Organisations:

1. The process to manage the collection and transfer of staff and volunteer knowledge is used by all relevant staff/volunteers. This may include the regular review and updating of standard operating procedures (SOPs), policies, training, staff meetings, shared-access computer or physical files, attendance at sport sector training etc.
2. Good practices are quickly identified, shared and implemented across the organisation. The process to manage organisational knowledge for quickly identifying, sharing and implementing best practices is adhered to ensuring there is little reinvention of the wheel and good practices are adapted and adopted organisation wide as applicable.
3. Strong two-way communications between sporting structure partners with examples of where operating best practices were shared and implemented among other partners in the sporting structure.
4. Process for passing information up and down the sporting structure is effectively used. This includes the collection and transfer of knowledge from and to NSO /RSOs /clubs /members /stakeholders /suppliers /partners and collaborators. Methods for this might include newsletter, email, meetings, virtual meetings, electronic file transfer, text messaging, and 0800 number.
5. Sport sector led networking opportunities for information sharing across codes, code led opportunities for intra-code sharing. (e.g. NSO RSO forums, SPARC leadership courses, seminars and workshops, RST administrator/coach/officials meetings, NSO administrator forums).
6. Evidence of websites with template downloads and online forums for sharing best practice that are actively used by stakeholders, customers, partners as relevant.
7. Organisational knowledge is kept accurate, reliable, timely, secure and confidential through the use of technology (i.e. databases, CRM tools, virus protection, firewalls etc) or through standard processes (i.e. set dates for policy updates, accountabilities for website management and update regularity, office security for physical records etc).
8. Relevant information about all key aspects of the organisation is gathered/measured and actively used to assess operational and strategic performance. (e.g. use of financial reporting systems, survey collection and sharing, comply with checklist of information and data required for organisational planning session and/or for monthly Board meetings).

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

Community Net – Human sustainability

Community Net – Keeping information safe and private

Community Net – Organising your filing system

SPARC shares case studies on Excellence Award Winners

SPARC – Sharing Good Practice

Examples of Web-based support available e.g. Xero online accounting software, iSportz online database and information-sharing portal, Sports Clubs NZ Directory, Sportsground websites, SportCheck text message cancellations

Online communication e.g. Skype, Google Gmail, Microsoft Wiki, Twitter, Facebook, MySpace etc.

ID Number: 614 Ref: F5.1-2

QUESTION: How do you make sure your current suppliers are effectively managed?

- » *Supplier Management refers to your organisation's buying or procurement processes and efforts to work collaboratively with suppliers to purchase goods and services for your sport.*

Expectations:

1. Accurate and functional database of suppliers.
2. Purchasing strategy and policy in place.
3. Identification and segmentation of suppliers.
4. Sport-wide supplier clarity to identify supplier management opportunities.
5. Preferred supplier programmes or policies.
6. Cost-effective equipment/technology supply deals negotiated sport-wide or collaboratively across-sports.

Detailed Expectations for 'Sustainable' Organisations:

1. Accurate and functional database of suppliers (e.g. captures supplier contact details, links to supplier agreements, products supplied, standard terms and conditions, timing of pricing reviews)
2. Purchasing strategy and policy in place. Staff/volunteers accountable for purchasing (as relevant). (e.g. preferred supplier use policies, purchasing authorisation process, purchasing restrictions, acceptance of gifts policy etc)
3. Identification and segmentation of suppliers. Understanding of key vs other suppliers or by product/service type or by agreement type (e.g. whole of sport vs your organisation only vs individual event supplier).
4. Whole of sport clarity around suppliers to help identify opportunities for supplier management (e.g. understanding of existing supply deals, competitive suppliers across the sporting structure and potential for negotiation on volume and implications for organisations within the sporting structure, opportunities for revenue through on-supply to member organisations and/or their customers)
5. Preferred supplier programmes/policies (i.e. sports science and medicine – carding).
6. Equipment/technology supplier deals negotiated for whole of sport or in partnership with other collaborating sports bodies to minimise costs.

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[NZ Government – Procurement Policy and Guidelines](#)

[Wikipedia – Supply Management](#)

[Wikipedia – Supplier relationship management](#)

[Supply Excellence – Next generation strategies for supply management](#)

[GSB – Glossary of procurement terms](#)

ID Number: 482 Ref: F6.1-1

QUESTION: How do you make sure your assets are managed effectively?

- » *Asset management refers to the overall management and maintenance of owned equipment, facilities, office resources, cars, computers, inventory etc.*

Expectations:

1. Assets and asset use are suitable for your needs (i.e. ownership or alternatives).
2. Annually updated asset management plan with inventory of assets.
3. Asset management plan ensure effective maintenance, utilisation, and cyclical replacement of assets.
4. Assets are proactively managed, with maintenance and performance measures.

Detailed Expectations for 'Sustainable' Organisations:

1. Assets and asset use are suitable for your needs. Consideration for ownership or alternative options.
2. Asset management plan in place. Inventory of assets in place which is updated annually (e.g. this may be formulated or aligned to the financial asset register which is used for asset depreciation)
3. Asset management plans ensure effective maintenance, utilisation, and cyclical replacement (e.g. expected life of key assets has been calculated, budgets incorporate maintenance and replacement costs, assets replaced on a rotational basis where possible to reduce capital cost implications, scheduled maintenance is performed as required to maximise the asset life etc)
4. Assets are proactively managed with maintenance and performance measures in place (e.g. measures of useful life of assets are recorded, maintenance costs are measured vs repair vs replacement costs to establish optimum asset management etc)

Examples of Good Practice

Examples provided by facilitators when they score an organisation 'High Performing' or 'World Class'. Examples are noted against the relevant Expectation number.

1. Example

Further Reference

[Ardent Exec – How to manage inventory](#)

[Western Australian Government – Asset management](#)

[NZRA – Recreation Facility Asset Management](#)

[Wikipedia – Enterprise Asset Management](#)

ID Number: 138 Ref: F8.1-1