

## The Nonprofit Finance Fund

The Nonprofit Finance Fund (NFF) is a 501(c)(3) exempt organization. NFF started in 1980 as the Energy Conservation Fund, and in 1989 became the Nonprofit Facilities Fund before settling on the name Nonprofit Finance Fund in 2000. NFF provides financial resources in the form of loans, grants, and asset-building programs, as well as management advice. NFF's focus as of late has been to help nonprofit organizations protect themselves in these rough economic times, making sure that the organizations are financially stable.<sup>1</sup> NFF is funded by more than 300 organizations including financial institutions, corporations, foundations, the public sector, nonprofits, and individuals.<sup>2</sup>

NFF provides up to \$2,000,000 in loans to purchase, build, or renovate facilities, including loans for upgrades to equipment that is necessary for the nonprofit to operate. The loans can also be used to expand programs, or to temporarily cover the day-to-day expenses of the nonprofit. NFF also helps organizations refinance, work on extensions, and get lines of credit (new markets tax credits).<sup>3</sup> A typical loan is between \$500,000 and \$2,000,000. The general requirements to qualify for a loan are that the organization has 501(c)(3) status and "promotes the economic, social, or cultural development of its community." The nonprofit must also have been in existence for three or more years and have an unrestricted annual operating revenue of at least \$1,000,000. NFF lenders will look at smaller nonprofits on the case-by-case basis (loans overview).<sup>4</sup>

NFF also provides consulting services to nonprofits. NFF's main concern is to make sure that their clients will be financially sound in the long run. NFF gives the organization the tools to assess the organization's financial health, including, the financial impact decisions have on their programs and mission. NFF also provides tools to communicate needs to funders and stakeholders, and they advise nonprofits on cost-cutting measures, new ways of operating, and provide them with financial tools to make informed decisions during rough economic times. NFF helps nonprofits plan for growth and helps them develop strategies for attracting funds and investors.<sup>5</sup>

NFF provides educational services such as webinars, workshops, clinics, articles, resources, and research. They provide a webinar on recession planning and provide workshops on budgeting and financial management, recession fundamentals, linking the organization's money to their mission, the cost of doing business and securing capital to support organizational

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<sup>1</sup> *Our Mission & History*. Nonprofit Finance Fund. 2012. <http://nonprofitfinancefund.org/about-nff/our-mission-history>

<sup>2</sup> *Who Funds NFF Programs*. Nonprofit Finance Fund. 2012. <http://nonprofitfinancefund.org/who-funds-us/who-funds-nff-programs>

<sup>3</sup> *New Markets Tax Credits*. Nonprofit Finance Fund. 2012. <http://nonprofitfinancefund.org/loans-financing/new-markets-tax-credit>

<sup>4</sup> *Loans Overview*. Nonprofit Finance Fund. 2012. <http://nonprofitfinancefund.org/loans-financing/loans>

<sup>5</sup> *Consulting: 1 on 1 Advice and Guidance*. Nonprofit Finance Fund. 2012. <http://nonprofitfinancefund.org/nff-consulting-1-1-advice-and-guidance>

innovation, as well as other workshops on funding and planning. NFF also has a two-day clinic on financial leadership, which focuses the organizations on understanding their own financial documents, their financial needs, and how to articulate financial goals to people within the organization as well as potential funders.<sup>6</sup> NFF also publishes a state of the industry every year. This includes general information on how the nonprofit sector is doing financially, whether there was there an increase in demand for nonprofit services, and what goals nonprofits should set in order to be successful in the current economic environment.<sup>7</sup>

*Sam Dupree*  
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<sup>6</sup> *Education and Group Learning*. Nonprofit Finance Fund. 2012.

<http://nonprofitfinancefund.org/finance-essentials>

<sup>7</sup> McKenna, Tricia. *Nonprofit Finance Fund 2012 Survey: After Year of Adaptation, Fundamental Challenges Remain*. Nonprofit Finance Fund. April 2012.

<http://nonprofitfinancefund.org/announcements/2012/state-of-the-nonprofit-sector-survey>