



Sussman's organization has multiple housing projects in the pipeline.

PAOLO VESCIA

COMMUNITY SERVICE - WINNER

Helping the poorest requires a five-year plan

The economic downturn has a complicated effect on an organization like the Tenderloin Neighborhood Development Corporation. TNDC develops housing for extremely low-income people. It currently serves 2,500 people in 1,800 apartments and residential hotel rooms in 25 buildings.

"We haven't seen any downturn in activity," noted Paul Sussman, the organization's chief financial officer. "All kinds of things have to be dealt with. We work on a multiyear timeline."

The organization is always developing new housing, and it operates on a long-term real estate development pipeline. As Sussman said, some of them take five or six years to come to fruition.

"There can be big gyrations in how they are developed and pay for themselves," he said. "We have to track them over a number of years. In a given year, we might have a deficit and not worry about it. We don't react year by year."

Because of funding gaps in development and construction, some projects will have to be put on hold, he said. Despite the fact that the corporation has the land, permits, architectural plans and so forth, there's no local government money available to fill the gap.

TNDC does not see a spike in need in the immediate way that the San Francisco Food Bank does, for example. Its clients are the poorest of the poor; not the middle-income folks suddenly jobless, or even most of the working poor.

"Most of our people have incomes at 60 percent

Paul Sussman

Title: Chief financial officer.
Company: Tenderloin Neighborhood Development Corp., San Francisco.
Tenure: 2004-present.

Significant achievement: Helping the organization become as well positioned as possible for the troubles that lie ahead.

Tenderloin Neighborhood Development Corp.

Executive Director: Donald Falk.

or even 30 percent of median income," Sussman explained. Some are on fixed incomes of less than \$1,000 a month, and even that is threatened by budget cuts. People with disabilities will feel the effect of those cuts this year, he said. "The state is cutting back on health services that our residents depend on."

Meanwhile, the organization has three projects in construction and two it hopes to start within the next year. "The demand is out there," Sussman said.

He is still doing long-term planning, but how he assesses risks is a bit different in the current market. He doesn't see big problems in 2009. "If we think there's a significant risk in one, two or three years, we have to react now. The longer you wait to react, the harder it will be."

"This is a five-year problem for us because of real estate cycles."

COMMUNITY SERVICE - FINALISTS

CFO's expertise benefits nonprofit

Steve Bach spends his days directing a startup that is changing the face of marketing. He spends some of his personal time bringing that expertise to an organization that serves recovering addicts in San Francisco. Nimblefish Technologies, Inc. is a marketing technology company whose software platform provides integrated direct marketing.

"Direct marketing is a \$60 billion industry," Bach said. Each online commercial offer is tailored to the recipient. So while both Bach and

his assistant might get promos from Nike, Bach's will focus on basketball, his interest, and his assistant's on women's soccer. They will learn about different new products and different regional events sponsored by the shoe giant.

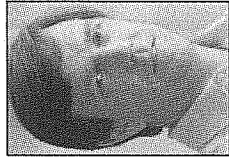
"It would be impractical to print these things with all those variations," Bach noted.

Despite the economic downturn, Nimblefish is still doing well, he said. "Our customers are still spending on marketing."

Its effectiveness can be measured, he said. "You know what you sent and you can track what they bought," he said. Clients can measure this in real time.

Still, there are challenges. "We're a small startup company. We have to work harder to close a deal," he said.

Money is a factor, too, in Bach's work on the board of Walden House, which was founded in 1969 to serve recovering street addicts. Today, its programs focus on substance abuse and are funded by the city, state and Department of Corrections.



Bach

Steve Bach

Title: Chief operating officer and president (acting CFO until replacement named).

Company: Nimblefish Technologies Inc., San Francisco.

Tenure: 3 years.

Significant achievement: the opportunity at a startup to do more than finance and accounting.

Nimblefish Technologies, Inc.

CEO: Randy Spurrter.

"In the same way that Nimblefish separates itself from the competition by tailoring what it offers each recipient, so Walden House distinguishes itself by the care it takes to understand each individual client," he said.

Bach, who joined the board three years ago, explained that clients usually have problems beyond substance abuse, including housing and gang issues, which also have to be addressed.

He said the organization had a very diverse board, but needed someone with finance, accounting and legal experience, and he fit the bill. He helped Walden House recover from a difficult period involving some financial improprieties a few years back. The entire board and senior management team were replaced.

"Today it's closing that chapter," he said. "My contribution has been to help the senior management team." He not only works on traditional nonprofit board issues, but also provides guidance on thinking through other issues as well as oversight.

For some organizations, the poor economic climate has meant cutting back. At the San Francisco Food Bank, the opposite is true.

"These days, we do more of what we do," said Michael Braude, director of finance and administration for the nonprofit organization that collects and distributes food to fight hunger in the city.

As the need for food has increased, the food bank has begun looking at opening more

pantries.

"The numbers are up

19 percent at our sites," Braude said.

To meet that need, the organization has added 20,000 additional pounds of produce each week,

plus other items, such as pasta and ground turkey.

Braude noted that the economic downturn has reached people who never needed social services before.

"Our response is to get more food out into the community," he said. "We are looking for those in need."

He hopes a planned media campaign will show people how they can tap into the city's network of social services, since they may have needs beyond food.

"People need to understand how serious the problem of hunger is in San Francisco," Braude said. "We estimate there are 150,000 people in the city at risk of hunger. One in five adults doesn't know where their next meal is coming from."

The challenge for the food bank is to find more money, and to do that, it needs to find

Michael Braude

Title: Director of finance and administration.

Company: San Francisco Food Bank.

Tenure: 2000- (present position since 2004).

Significant achievement: Increasing the amount of food that gets out to the community.

San Francisco Food Bank

Executive Director: Paul Ash.

new sources. It is doing more grant writing, for example, which Braude said often means presenting the financial data in different ways.

"Our development department is always looking for who might support our mission that we've not reached out to," he said.

Unrestricted funding is particularly desirable, because then the food bank can use it as it sees fit. "But," Braude noted, "that's not an infinite pool. Many foundations have specific missions, such as children, so we do targeted fundraising."

One creative approach has involved expanding the base of major donors.

"We want them involved in more than fund-raising," Braude explained.

That means inviting them to advocate for the organization as well as to volunteer in its operations.

"Families with young children, they want to volunteer," he said. So the food bank set aside some shifts to accommodate the desire.

"Not many food banks do that," he said. "And it's been very successful. The warehouse staff loves working with the kids."