



Food for thought

Helping nonprofit means giving back to the community



Safe place to stay

Not all projects undertaken by Expense Reduction Analysts (ERA) are motivated solely by the bottom line. The heart can play a large role, too.

Led by consultants in the San Francisco Bay Area, ERA undertook a project for Homeward Bound of Marin, a nonprofit provider of transitional and long-term housing and support services for the homeless.

Each year this community organization provides 1,500 people, including about 200 children, with a safe place to stay.

entering data into spreadsheets by hand (most clients are able to provide invoices and other information electronically), while another consultant used his personal Blackberry as a speaker phone so the organization's staff could hold teleconferences with an offsite analyst.

Food suppliers, too, were generous with their time. Three vendors responded to the Request for Proposal (RFP) issued by ERA on behalf of the nonprofit. Consultants created a "market basket" of representative items for the RFP and analyzed prices on a like-to-like basis by calculating costs per specified unit of measurement (for example, ounces, pounds or gallons).

Remaining with the incumbent recommended because of savings and established relationship

\$200,000 for food alone

When ERA realized Homeward Bound spent more than \$200,000 each year to purchase food, analysts knew they had an opportunity to make a difference. One consultant spent time

Less expensive alternatives

ERA recommended remaining with the incumbent supplier because of the savings offered as well as the long established relationship between the current vendor and Homeward Bound of Marin.

Behind the incumbent's lowered prices were suggestions for less expensive, alternative products for janitorial supplies, paper plates and other non-food items.

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Discounts from efficiencies

Significant savings also were offered for fresh produce, meat and seafood, due in part to an online ordering system and a streamlined invoicing process. Such efficiencies enabled the nonprofit to take advantage of early payment discounts.

Homeward Bound of Marin will be able to use its newly found funds for mission-related services such as job training, counseling and education.

Service and saving money

"Thanks to ERA's work, we will be able to continue providing the highest quality service while simultaneously saving time and money," said Mary Kay Sweeney, Executive Director of Homeward Bound of Marin.

The nonprofit organization has asked ERA to analyze its telecommunications expenses in the expectation that further savings can be found.

Project Information

- **Industry** – Nonprofit
- **Category**– Food Services
- **Client Spend** – \$202,000
- **Extra Profit** – \$25,325
- **Cost Savings** – 12.5%
- **Client \$ Saved/ Hour Invested** – \$2,532/hour

Future conference calls will be held on a new speaker phone – a gift to Homeward Bound staff from dedicated Expense Reduction Analysts

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