F&A
Tuning Session
Q3 FY 21-22

WIKIMEDIA
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Financial Management & Compliance

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Financial Management & Compliance

Objective:

Manage our financial resources to enable the Foundation to achieve our programmatic objectives in compliance with all regulatory filing requirements to satisfy our tax exempt charitable status.

ONGOING FINANCIAL PERFORMANCE - The Year to Date variance of our actual expenses to budgeted expenses was **(-10%).** Please note that largest portion of this underrun was due our first year of implementation of software development capitalization reporting. If we normalize for this items, the variance is **(-7%)** which is outside of our target of 0% to (-5%) variance.

KR #1: INSIGHT FINANCIAL DASHBOARDS - Project is complete and in production! We are moving into a cycle or continuous improvement with our dashboarding capability and have completed an additional benefit of leveraging dashboards in building our next budget that wasn't originally planned.

ESTABLISH AND REPORT WM ENTERPRISE - In Q3, we continued to refine and report a monthly income statement for WM Enterprise, as well as a monthly cost allocation to transfer costs from Foundation to WM Enterprise. We worked with outside legal counsel to complete state/local regulatory filings.

TAX - In Q3, draft of annual tax filing Form 990 was prepared and reviewed internally by various departments. On track for target completion in Q4'22.

Financial Management & Compliance

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
100% of teams and ~~50% of OKRs~~ **2 OKR use cases** have financial results dashboards by Q2. PROPOSED REVISION to this KR after Q1: continue with goal of "100% of teams", but change "50% of OKRs" to "implement dashboards for 2 OKR use cases". This is because, through discovery, we have found that standardized OKR dashboards are not useful. The OKR dashboarding needs vary by use case, so, rather than roll out 1 standard OKR dashboard, we will create and test 2 different dashboards for 2 use cases. **Baseline:** 0% and 0%	100% teams / ~~50%~~ 2 OKRs use cases	0%, Two drafts of team prototypes complete.	**COMPLETE** 100% of teams + 2 OKRs use cases are in production and being used	**-COMPLETE** 100 of teams + 2 OKRs use cases are in production and being used	-
Establish and report separate financial report for Wikimedia Enterprise by Q1 financial close and New Endowment 501c3 Charitable Organization according to a timeline set with the Audit Committee. **Baseline:** N/A	100%	Enterprise - Q1 financial report has been completed Endowment - not yet started	Enterprise - Q2 financial report has been completed Endowment - not yet started-	**COMPLETE** Enterprise - Q2 financial report has been completed Endowment - pending 501c3 approval	-
Meet all 100% filing requirements for Wikimedia Enterprise and New Endowment 501c3 Charitable Organization **Baseline:** N/A	100%	Nothing due Q1, compiling list of reporting requirements for the year	– Obtained federal tax id -Applied to register LLC with CA Secretary of State	-Obtained confirmation of registration with CA - Submitted initial stmt of info with CA	-

EOY Projection

Financials ($M)	As of March 31		FY21-22		
	YTD Act. ($)	YTD Var. (%)	EOY Proj. ($)	EOY Var. ($)	EOY Var. (%)
Total Revenue	153.6	11%	167.9 **A**	10.8	7%
Programmatic	83.3	-5%	116.4	(3.8)	-3%
Personnel Exp	53.7	1%	73.0	0.1	0%
Services & Travel	9.6	-24%	14.8 **B**	(1.9)	-11%
Grants	10.1	-21%	15.6	(0.6)	-4%
Data Center Exp	3.8	-7%	4.8	(0.7)	-13%
Other Exp	6.1	18%	8.2	(0.6)	-7%
Fundraising	12.5	-4%	15.7	(0.8)	-5%
General & Admin.	13.0	-8%	17.9	(1.1)	-6%
Total Exp before Cap.	107.4	-7%	148.9	(6.7)	-4%
Capitalized Software Dev	(5.8)	284%	(6.9) **C**	(4.9)	246%
Total Expenses	101.7	-10%	142.0	(11.6)	-8%
Change in Net Assets	51.9	-	25.9	22.5	-

EOY Explanation

A **Revenue:** We have already met our fundraising target of $150M and are expecting to exceed our Online and Major Gifts targets.

B **Services:** We have revised down our expectation for both professional services and travel. Many teams have underutilized professional services and contractors resources relative to our original plan and we expect those underruns to be permanent..

Travel: We have also revised down our travel projection by (-$1M). In our budget we had planned for earlier resumption of travel and convenings.

C **Software Capitalization:** Higher than budgeted amount of software work that is capitalized continues to drive the largest part of our variance. This capitalized work with be expensed in a future period.

Planning

Planning

Objective:

Build plans and strategies that move the Foundation toward our Strategic Direction.

Completed first steps of planning process - Completed two rounds of of organizing baseline information for our departments and organization, synthesized key external trends, and settled on 4 goals.

Target quarter for completion: eg. Q4 FY21-22

Complete in Q3

LISTENING TOUR	PUZZLES & PRIORITIES	DEPARTMENT OVERVIEWS	ORGANIZATION OVERVIEW
KEY EXTERNAL TRENDS	NEXT ROUND of DEPT & ORG OVERVIEWS	INITIAL INPUT at BOARD MEETING	APP PRE-WORK OFFSITE

Complete in Q4

STAFF & COMMUNITY FEEDBACK	INCORPORATE FEEDBACK & FINALIZE	FINAL BOARD APPROVAL

Q1 FY 20122
Department: Finance & Administration

Planning

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
Evolve the Medium-term Plan into an updated multi-year strategy for the Foundation by ~Q3 that will guide our FY22-23 plan.	Complete by Q3	**N/A** We are in a pre-planning stage, focusing on integrating the discussion on design of multi-year plan into the on-boarding of the new CEO	**Complete -** made the decision to finish out the MTP and adapt our plan to focus on Movement Strategy	**Complete -** Set APP organizational goals that are aligned to Movement Strategy	-

Business Operations Improvement

Business Operations Improvement

Objective:

Improve the efficiency and efficacy of our business and operational workflows to maximize the return on investment, mitigate risks, and reflect our organizational values.

F&A has expanded the number of projects being delivered to support business operations improvement. As a result, we have extended the timelines for the Payroll Scalability Project and the integration Wikimedia Enterprise workflow. Progress has been made on both initiatives in addition to new projects:

Improve Payroll Workflow Scalability Project- Project planning was completed and Project Charter approved.We've identified multiple areas of potential process improvement that would achieve our KR of eliminating 15-25% manual processes and project implementation has kicked off. Q4 work will entail workflow and business analysis to identify optimization opportunities.

Wikimedia Enterprise workflow integrated into Coupa - The design of the workflow and approval chain is complete. Multi-entity configuration of Coupa and Intacct is complete. Configuration of the workflow within the systems is targeted for completion in Q1.

Additionally, F&A completed their project management support of the Equity Fund as its now transitioned to an ongoing program, we've supported the **operationalization of Project Atlas**, developed an **operationalization plan for Wiki Endowment,** and begun planning projects resulting from the **Systems Analysis**.

Business Operations Improvement

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
KR1: We will have a more scalable end-to-end Payroll processing workflow as measured by a 15-25%* reduction in the amount of manual activities required to process a payroll cycle by Q3. **Proposed timeline extensions to accommodate additional projects:** KR complete by Q4	Complete by Q3	We have scoped plan to reach the KR target and begun to implement that plan	Plan re-scoped to reach the KR target and expanded to support alignment with HRIS replacement evaluation. Delay in implementation launch. Anticipate KR complete by Q4	Project scope and plan approved and project kicked off. Anticipate project deliverables to be complete by Q2 of the next fiscal year. -	-
KR2: Wikimedia Enterprise will have an automated approval workflow integrated into our Contract Lifecycle Management system by Q2. **Proposed timeline extension:** KR complete by Q1	Complete by Q2	Milestone KR is 70% complete	Milestone KR is 85% complete. Aiming for 100% in Q3	Milestone KR is 90% complete. Remaining elements to implement (Zendesk) to be complete by Q4. System configuration complete by Q1.	

Working Environments

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Working Environments

Objective:

Our working environments are productive, inclusive and sustainable.

KR1: 100% of OnBoard staff receives access to necessary tools by Day 1 and 80% of staff receive equipment within 1 week of start date

KR2: 100% of staff based in regions where networking infrastructure does not meet standard stability and bandwidth requirements will be provisioned additional support to utilize our standard productivity tools. (productivity tools = Google Workspace)

KR3: Within our SLA's We offer a diverse set of convening mediums, consultation and tools to satisfy 100% meeting/convening requests. Satisfaction and improvement measured by evaluations done with each convening request.

KR4: Within our "approved hiring country list" 85% of Staff understands services, resources and guidelines in order to foster an inclusive and equitable working environment.

Revision to Support 2.0 now integrated here

KR5: An aligned vision of talent and support services needed across all departments.

& KR6:Organization has applied support services talent with an effective approach that integrates our values, development and performance framework.

Target quarter for completion: Q4

Working Environments

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
KR1:100% of OnBoard staff receives access to necessary tools by Day 1 and 80% of staff receive equipment within 1 week of start date **Baseline:** 32%	85%	42%	60.6%	52.8%	
KR2: 100% of staff based in regions where networking infrastructure does not meet standard stability and bandwidth requirements will be provisioned additional support to utilize our standard productivity tools. (productivity tools = Google Workspace) **Baseline:** 0%	100%	0%	0% Deferred	0% Deferred	
KR3: Within our SLA's We offer a diverse set of convening mediums, consultation and tools to satisfy 100% meeting/convening requests. Satisfaction and improvement measured by evaluations done with each convening request. **Baseline: 0%**	100%	NA Impacted by pandemic	100% Limited activity but SLAs being met	100%	
KR4: Within our "approved hiring country list" 85% of Staff understands services, resources and guidelines in order to foster an inclusive and equitable working environment. **Baseline 0%**	100%	10%	35%	50%	

Department: Finance & Administration

Working Environments

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
KR5: There is an aligned vision of talent and support services needed across all departments. **Baseline: N/A**	100%	100%. Complete			
KR6: Organization has applied support services talent with an effective approach that integrates our values, development and performance framework. **Baseline: N/A**	100%	80%, The framework and direction has been completed. We expect to complete the KR by Nov 21	100%. Complete		

Enterprise Risk Management

Objective:

Deliver effective organizational risk oversight and management program to recognize and respond to threats and opportunities

- KR1: The organization has resourced process tools and staff with expertise in training and program development to support a holistic ERM program as measured by published orientation program, risk reporting matrix and risk dashboards for functional, executive and board level oversight.

- KR2: Identified Staff have increased exposure and understanding to WMF risk oversight as measured by qtrly feedback with 75% satisfaction with engagement, training and support for ERM program.

Enterprise Risk Management
Operationalizing ERM

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
The organization has resourced process tools and staff with expertise in training and program development to support a holistic ERM program as measured by published orientation program, risk reporting matrix and risk dashboards for functional, executive and board level oversight. **Baseline:** 80%	100%	50% done. The new ERM principal role offered and accepted role with a start date of Oct 18th. We will be developing a refreshed ERM program during Q2	Review of existing tools and processes underway to inform the capacity building goals	Archer has risk reporting matrix and risk dashboards for functional, executive and board level oversight, some of which were shared in the May Audit Committee slides. We continue to enhance our capabilities, with the next version planned for June 2022.	Fcst Complete Q4
Identified Staff have increased exposure and understanding to WMF risk oversight as measured by qtrly feedback with 75% satisfaction with engagement, training and support for ERM program. **Baseline**:	100% of engagement target	Not yet started	Engagement target for Q3/Q4 identified. Working with Learning and Dev. on training	ERM Principal hired Q2, and spent time understanding WMF and the ERM program to enable expansion of our capacity. While exposure has occurred, surveys were not developed during this time.	

Internal Enterprise System Improvement

Objective:

The Foundation's Enterprise Systems are managed and enhanced in order to support a globally distributed workforce

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KR1: ~~All assigned accounts are current and access are true based on Organizational Units assigned~~ "All users will be categorized according to clearly defined Organizational Units" (**updating for clarity**)

KR2: ~~80 %~~ 45% of ITS Enterprise management tools are fully integrated and tested in order to automate OnBoard and OffBoard activities (**updating this percentage from 80 - 45% based on tools ITS administers and manages - ITS does not administer or manage the HRIS tool which reduces this number.**)

KR3: A 50% time reduction in performing OffBoard activities, specifically removing access to all internal systems and data

Target quarter for completion: Q4

Internal Enterprise System Improvement

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
KR1:All users will be categorized according to clearly defined Organizational Units **Baseline:** 0%	100%	30%	30%	100%	
KR2: 45% of ITS Enterprise management tools are fully integrated and tested in order to automate OnBoard and OffBoard activities **Baseline:** 0%	100%	0%	0%	90%	
KR3:A 50% time reduction in performing OffBoard activities, specifically removing access to all internal systems and data **Baseline:** 0%	100%	0%	0%	85%	

Supplier Diversity Expansion Project

Objective:
Evaluate the Foundation's existing supply base against diversity criteria, research benchmarks and establish appropriate objectives for our environment, identify solutions to expand availability of diverse vendors.

KR1: Establish Diverse Vendor Baseline

- Completed the Supplier Enrichment exercise with Diversity Aggregator Partner - Supplier.io

KR2: Pitch Business Solutions Recommendations

- Have conducted numerous communications with various cross departmental teams to discuss leveraging our existing vendors (via the creation of an AVL - Active Vendor Listing) + methods to expand the vendor sourcing pool to include diverse suppliers

KR3: Increase the number of diverse vendors within the Foundation's supply base

- In progress and on-going

KR4: Implement design solutions

- In progress and on-going

Supplier Diversity Expansion Project

Business Case + Market Research + Busn. Award

- Completed Projected Charter and stood up Project Teams (Core, Project Advisory, Stakeholders, etc.)
- Completed Market Research
  - Identifying viable options (internal & external)
  - Completed Spend commitment analysis
  - Educated on the "Current State" of Supplier Diversity
- Completed an initiative to determine viable Diversity Aggregator Partners
  - Business Award made to Supplier.io

Program Diversity Classifications

HUB	LGBTBE	AFRICAN AMERICAN/ BLACK	ASIAN PACIFIC AMERICAN
DISABLED	VET	HISPANIC AMERICAN	ASIAN-INDIAN
SMALL (TBD)	WBE	NATIVE AMERICAN	ASIAN AMERICAN

Leadership Commitment

- Championed making this Supplier Diversity program a priority of the Foundation via many marketing and communications channels

Next Steps

- Roll out the Active Vendor Listing + Training
- Complete Policy and Process Documentation for internal and partner tool
- Partner with Business Owners to proactively source diverse supplier candidates

Supplier Diversity Expansion Project

Key Results	Year Goal	Q1 Status	Q2 Status	Q3 Status	Q4 Status
KR1: Establish Diverse Vendor Baseline	100% - Complete	-	-	100% - Enrichment Exercise with partner complete	Complete-
KR2: Pitch Business Solutions Recommendations	100% - Complete	The program goals have been endorsed via the project charter teams and discussed across many cross functional teams. A Sr. Leaders Meeting has been requested and will occur during this Qtr.			
KR3: Increase the number of diverse vendors within the Foundation's supply base	100%	-	-	Diversity baseline identified	Tbd and on-going
KR4: Implementation of design solutions	100%	-	-	50%	50% - design completion / Prog. roll out Q1-new FY