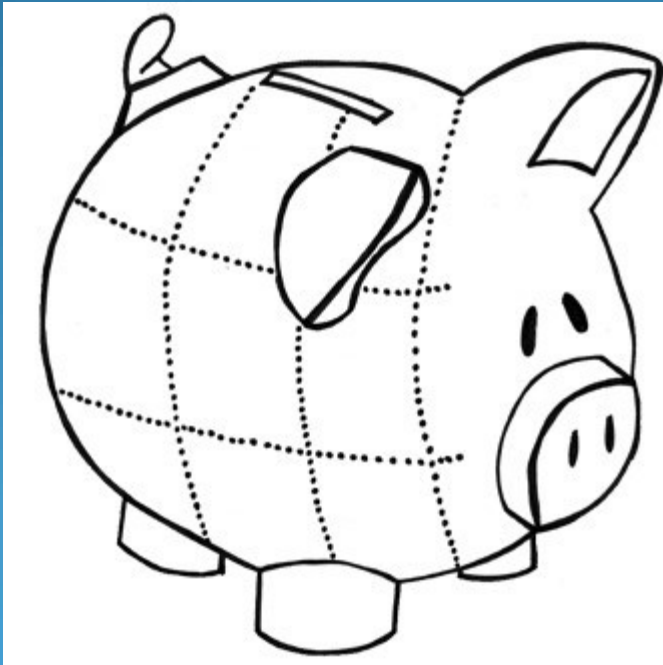


# Non-Profit Budgeting Made Easy



# A budget is your Chapter's GPS





# Terminology

- **Budget**
  - A plan or guideline
    - What donations & support you think will come in
    - What expenses you think you're going to have to pay out
- **Balanced Budget**
  - The amount of funds you expect to come in EQUALS what you expect to spend
- **Cash Flow**
  - The timing of money coming in and going out

# Reasons to prepare a Budget

- **Compliance with BSMA Financial Policies**

Article 2.1

... The chapter's budget should be prepared and approved by September.

- Avoid confusion, debate & potential discord when planning any and every event all year long



# Have readily available:

## Chapter members



# Have readily available:

- Most recent FS
- Cash balances
- Previous years' FS



**Statement of cash flow**

**Balance sheet**

**Income statement**

Statements of cash flows		Year ended December 31		
		20X3	20X2	20X1
<b>Cash flows from operating activities:</b>				
Net income (loss)		\$ (1,131)	\$ 5,234	\$ 5,463
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization expense		\$ 1,476	\$ 1,376	\$ 1,155
Goodwill impairment loss		\$ 4,069	\$ -	\$ -
		\$ (305)	\$ -	\$ -
		\$ (76)	\$ (13)	\$ 31
		\$ 59	\$ 100	\$ 108
		\$ 675	\$ (13)	\$ 290
		\$ (1,630)	\$ (463)	\$ (144)
		\$ (165)	\$ (18)	\$ (263)
		\$ 2,892	\$ 6,085	\$ 6,640
		\$ (2,790)	\$ (2,265)	\$ (3,167)
		\$ (400)	\$ (531)	\$ (568)
		\$ 463	\$ -	\$ -
		\$ (25)	\$ (75)	\$ (10)
		\$ 25	\$ 63	\$ 64
		\$ (14)	\$ -	\$ -
		\$ (7)	\$ (17)	\$ (32)
		\$ (2,886)	\$ (2,907)	\$ (3,625)
		\$ (374)	\$ 1,702	\$ (248)
		\$ -	\$ -	\$ -
		\$ (540)	\$ (4,300)	\$ (2,020)
		\$ 16	\$ 95	\$ 122
		\$ (298)	\$ (278)	\$ (184)
		\$ (4)	\$ (24)	\$ (5)
		\$ (1,070)	\$ (2,654)	\$ (2,394)
		\$ (1,095)	\$ 630	\$ 421
		\$ 1,487	\$ 957	\$ 436
		\$ 352	\$ 1,487	\$ 957

Balance sheet (statement of financial position)		
As of December 31		
	20X2	20X1
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,345	\$ 2,947
Receivables, net	\$ 1,736	\$ 1,539
Inventories, net	\$ 948	\$ 943
Other current assets	\$ 195	\$ 224
Total current assets	\$ 5,004	\$ 6,053

Statement of income		20X2
Operating revenues		\$110,000
Cost and expenses		
Cost of sales		\$100,000
Plant operating expenses	\$ 5,000	
Selling expenses	\$ 500	
General and administrative expense	\$ 650	
Depreciation and amortization	\$ 1,300	
Total costs and expenses		\$107,450
Operating income		\$ 2,550
Interest and debt expense	\$ 420	
Income from operations		\$ 2,130
Income tax expense	\$ 560	
Net income		\$ 1,570

# Have readily available:

- A spreadsheet or lots of scratch paper

	A	B	C	D
1	Date	Income	Expenses	Profit
2	2005-12-17	235 €	128 €	107 €
3	2005-12-18	311 €	124 €	187 €
4	2005-12-19	457 €	466 €	-9 €
5	2005-12-20	232 €	132 €	100 €
6	2005-12-21	122 €	134 €	-12 €
7	2005-12-22	128 €	223 €	-95 €
8	2005-12-23	432 €	218 €	214 €
9	2005-12-24	256 €	121 €	135 €
10		2.173 €	1.546 €	627 €
11				
12	Avg. Profit	=AVERAGE(D2:D9)		

- A willingness to listen and stay calm



# CASH AVAILABLE

How much  
do you have  
to begin  
next year's  
journey?





Look at  
your  
Mission  
statement

What's  
important  
to your  
chapter?



# Revenue, Donations & Support

\$\$

# Revenue, Donations & Support

- Membership Dues\*



- General donations – Individuals & Businesses
- Fundraising Events
- United Way or CFC type funds
- Merchandise or Inventory sales
- Grants
- Expecting any Restricted Funds?



# Expenses

Programs

Supporting services

Fundraising

Membership development

# Expenses

## Programs

(help you fulfill your mission)

# Expenses - Programs

- Care packages
  - How many last year?
  - Postage
  - Contents



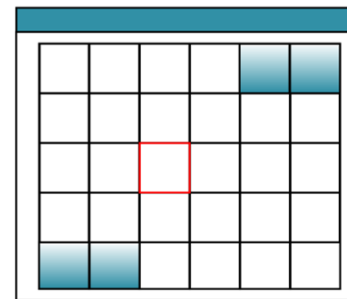
# Expenses - Programs



- **Gold Star activities**



- **New programs**





# Expenses

## Supporting Services



# Expenses – Supporting Services

- **Operation or Management of your Chapter**
  - **Annual** commitments
    - Licensing & registrations (State, City, etc.)
    - Insurance
    - VAVS contribution
  - **Monthly** commitments (Rent, etc.)
  - Paper, printing, postage for **day to day** matters
  - **Membership dues\***
  - **Website** maintenance & security

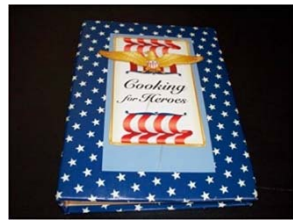


# Expenses



FUND**RAISING**

# Expenses - Fundraising



- **Specific annual events**
  - Out of pocket costs
  - Solicit community support



# Expenses - Fundraising

- **Joint events with other Non-Profits**
  - Be sure to ask “who”, “how much” and “what”



- **Grant Proposals**



# Expenses

Membership Development

# Expenses – Membership Development



**WE WANT YOU**



- Vendor table at homecomings, recruiting offices, farmers markets, etc.



- Host a Lunch & Learn for your members



# Basic Budgeting

# Basic Budgeting

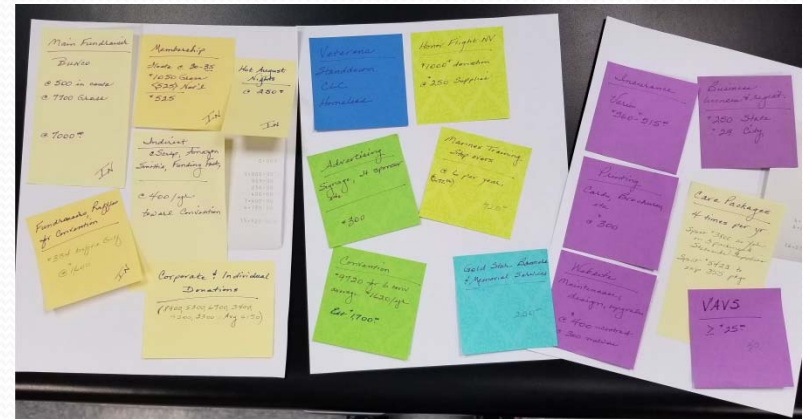
## At the computer

budget proposal 2018-2019 final draft - Microsoft Excel

Blue Star Mothers of America, Inc.						
Budget vs. Actuals: 2018-2019 Budget - FY18 P&L						
September 2018 - August 2019						
2017-2018 Total					2018-2019 Budget Proposal	
	Actual	Budget	over Budget	% of Budget		
<b>Income</b>						
25% LOGO USE Donation	2.75	50.00	-47.25	5.50%	\$	50.00
VAVS - Restricted Funds	4,950.00	4,000.00	950.00	123.75%	\$	5,000.00
<b>CONVENTION</b>						
2019 Convention					\$	40,000.00
2018 Convention		25,000.00	-25,000.00	0.00%		
2018 Convention Bag Sponsor	375.00		375.00			
2018 Convention Bus Donation	300.00		300.00			
2018 Convention Pres Recept Donation	300.00		300.00			
2018 CONVENTION Registration	10,640.00		10,640.00			
2018 Donations/Sponsor/Fundraiser	8,955.63	3,000.00	5,955.63	298.52%	\$	3,000.00
2018 I Stand T-Shirt	1,470.00		1,470.00			
2018 Silent Auction		3,500.00	-3,500.00	0.00%	\$	5,000.00
2018 Vendor Tables	100.00	300.00	-200.00	33.33%	\$	300.00
<b>Denim &amp; Diamonds Fund Night</b>	1,295.00		1,295.00			
<b>Total 2018 Convention</b>	\$ 23,435.63	\$ 31,800.00	-\$ 8,364.37	73.70%	\$	48,300.00
<b>Total CONVENTION</b>	\$ 23,435.63	\$ 31,800.00	-\$ 8,364.37	73.70%	\$	48,300.00
<b>DONATIONS/SPONSORSHIPS</b>						
CFC Donations	4,082.31	3,500.00	582.31	116.64%	\$	4,000.00

change from

## At the kitchen table





# Basic Budgeting

Expected Revenue, Donations & Support \$ xx,xxx

Less: Desired expenses

< xx,xxx >

**RESULT**

*If RESULT IS:*

- *Positive number = budget surplus*
- *Negative number = budget deficit*
- *Zero = balanced budget*





# Basic Budgeting – Fine tune it!

- **Surplus?**
  - Plan more programs or expand the one's you have
  - Build up a safety/emergency reserve (savings)
- **Deficit?**
  - Trim back your planned expenses
  - Figure out how to raise more money
- **Overall**
  - Separate “needs” from “wants”
  - Is this plan reasonable and actionable?

# Your Chapter's Roadmap



# Your Chapter's Roadmap



# Your Chapter's Roadmap

• Funds on Hand now (current YE)	\$ X,XXX
• Plus: Expected Rev, Donations & Support	+ <u>XX,XXX</u>
• Equals: Available Funding	\$ XX,XXX
• Less: Planned Expenses	< <u>XX,XXX</u> >
• <b>Expected Funds on Hand at next FYE:</b>	<u>\$ X,XXX</u>





**Are you locked in?**





Are you locked in?



**NO!**



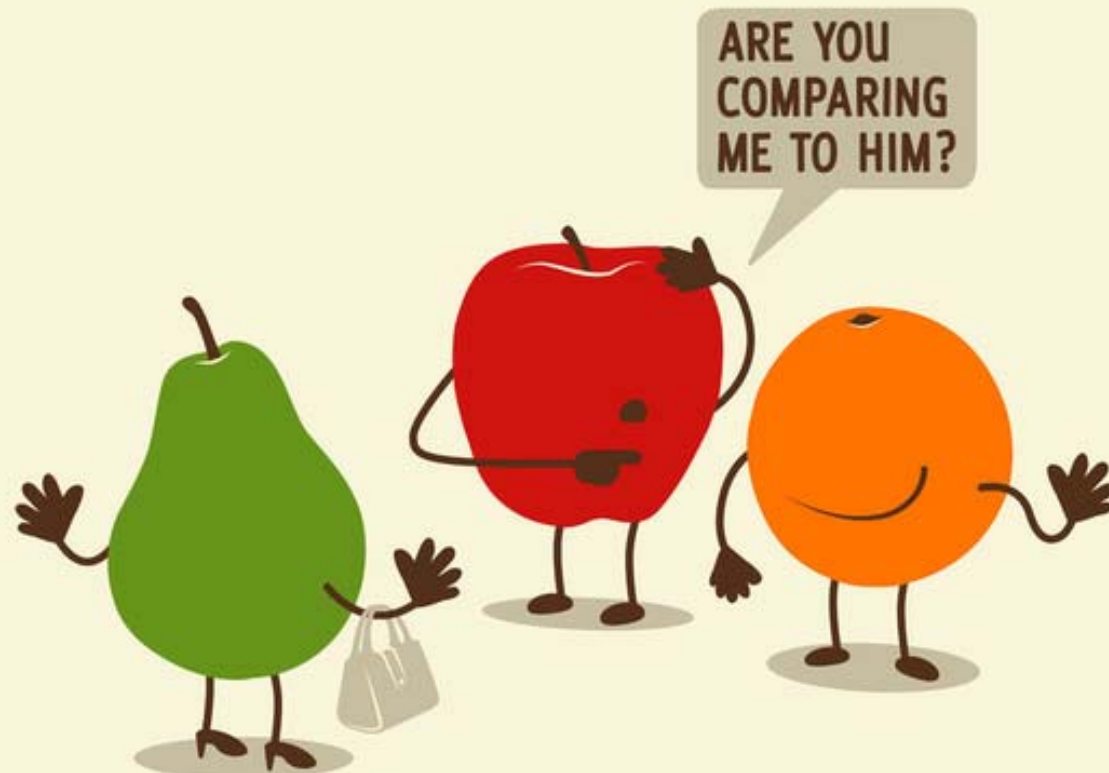
# Are you locked in?

**Budget = Guideline**





# As your year progresses



Actual \$



Budget \$

Missed it by a mile?



Actual \$



Budget \$

Close?

Congratulations!



We did it!



# Non-Profit Budgeting Made Easy

