

Using Your Budget to Tell Your Story

2010 Rhode Island Land & Water
Conservation Summit





trapped in
spreadsheets

The Reality of Money



- Many campaigns or projects simply cannot win or succeed without raising money
- Fundraising is hard work!
- Times are tough

Why Budget?



- Means accountability, transparency, good faith
- Helps you focus on both short- & long-term goals
- Provides oversight of operations
- Allows for financial control
- Might be required by outside stakeholders
- Can help you tell your story to audiences who might not otherwise “get it”
- They aren’t scary! A budget is simply a financial plan that is a guide for month-to-month operations.

A Good Budget Should...



- Tell your story
- Reflect the priorities of the campaign plan
- Be accompanied by a good fundraising plan
- Operate on a specific timeline (i.e. annually, quarterly)
- Be easily understood by everyone (employees, volunteers, funders, board members)
- Serve as a planning tool
- Have a little cushion in it to take into account the unexpected
- Involve staff/volunteers at all levels in the budgeting process

Qualities of an Effective Budget



- Realistic
- Consistent
- Flexible



8 Great Budget Steps

- 1) Project the project's income and expenses
 - Staff & Stipends
 - Food
 - Mail
 - Phone/Internet
 - Rent
 - Printing/Copying
 - Membership Dues
 - Fundraising



8 Great Budget Steps

2) Determine which costs can be in-kind

- Office supplies
- Volunteer food
- Stamps
- Copying
- Computers
- Volunteer hours
- Rent
- Travel



8 Great Budget Steps

3) Estimate Costs & Income

- Do research
- Estimate on the higher end of costs, lower end of income
- Create budget categories
- Use previous budgets & actuals

8 Great Budget Steps

4) Look at budget categories, reallocate if needed



8 Great Budget Steps



5) Get Approval

- Fellow volunteers or staff
- Formal Board

8 Great Budget Steps

6) Establish a clear timeline



8 Great Budget Steps



7) Create & update Cash Flow & Fundraising Plan from the timeline

- Update Cash Flow at least every month

8 Great Budget Steps

- 8) Review and adjust assumptions
 - Always Keep Budget Actuals Current



Telling Your Story



Budget A - CSG 2010

<u>Expenses</u>		<u>Income</u>
Professional Fees	\$1,000	\$1,000 NEGEF
Outreach	\$1,000	\$1,000 donations,
Experts	\$2,000	\$1,000 NEGEF
grant,		\$1,000 sign
sales		
Events	\$1,000	\$1,000 donations
TOTAL	=\$8,000	TOTAL = \$8,000

Telling Your Story



Budget B - WPA 2010

Expenses

Photocopying	\$400
Printing	\$800
Events	\$1,000

TOTAL =\$2,200

Income

\$400	NEGEF
\$800	NEGEF
\$1,000	fundraiser

TOTAL =\$2,200

Telling Your Story



- **Name of the Group**
- **Type of Group/Project**
- **Timeline of Group/Project**
- **Involvement of Volunteers**
- **Fundraising Efforts**
- **Engagement of the Community**
- **Relying on Support from Community = In-kind**
- **Realistic (costs are met by income)**
- **Diversity of Support**



How To Cash Flow

Step 1: Chart out expenses (“operationalize”) over time

	January	February	March	April	May	June	July	TOTAL
EXPENSES								
Coordinator			\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 2,000.00
Total Steel				\$ 750.00				\$ 750.00
Wood				\$ 750.00				\$ 750.00



How To Cash Flow

Step 2: Put in known income over time

	January	February	March	April	May	June	July	TOTAL
INCOME								
Potluck		\$ 500.00						\$ 500.00
Grants				\$ 1,500.00				\$ 1,500.00
Plot fees			\$ 750.00				\$ 250.00	\$ 1,000.00
EXPENSES								
Coordinator			\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 2,000.00
Tool Shed				\$ 750.00				\$ 750.00
Wood				\$ 750.00				\$ 750.00



How To Cash Flow

Step 3: Determine Net Income and Cash Assets over time

	January	February	March	April	May	June	July	TOTAL
INCOME								
Potluck		\$ 500.00						\$ 500.00
Grants				\$ 1,500.00				\$ 1,500.00
Plot fees			\$ 750.00				\$ 250.00	\$ 1,000.00

EXPENSES								
Coordinator			\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 2,000.00
Tool Shed				\$ 750.00				\$ 750.00
Wood				\$ 750.00				\$ 750.00

NET INCOME	\$ -	\$ 500.00	\$ 350.00	\$ (400.00)	\$ (400.00)	\$ (400.00)	\$ (150.00)	
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CASH ASSESTS	\$ -	\$ 500.00	\$ 850.00	\$ 450.00	\$ 50.00	\$ (350.00)	\$ (500.00)	
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How To Cash Flow

Step 4: Create a plan to balance the income and expenses

	January	February	March	April	May	June	July	TOTAL
INCOME								
Potluck		\$ 500.00				\$ 500.00		\$ 1,000.00
Grants				\$ 1,500.00				\$ 1,500.00
Plot fees			\$ 750.00				\$ 250.00	\$ 1,000.00

EXPENSES								
Coordinator			\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 2,000.00
Tool Shed				\$ 750.00				\$ 750.00
Wood				\$ 750.00				\$ 750.00

NET INCOME	\$ -	\$ 500.00	\$ 350.00	\$ (400.00)	\$ (400.00)	\$ 100.00	\$ (150.00)	
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CASH ASSESTS	\$ -	\$ 500.00	\$ 850.00	\$ 450.00	\$ 50.00	\$ 150.00	\$ -	
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How To Cash Flow



Step 5: UPDATE, UPDATE, UPDATE!



Budget Best Practices

- Create 3 Budget Scenarios:
 - High
 - Medium
 - Low
- Give budget to a friend, and ask them what it is they think you do
- Use Cash Flow to create a Fundraising Plan and to make sure you're staying in the black