

N O R T H E R N
C A L I F O R N I A



**Investing in
Opportunity,
Together.**

Budgeting 101

April 18, 2018
9:00-12:30pm

San Francisco Public Library
Main Branch, Latino/Hispanic Community Room
100 Larkin Street
San Francisco, CA

Agenda

- ❑ Introductions
- ❑ Setting The Stage
- ❑ Building & Monitoring Your Budget
- ❑ Developing Grant Budgets
- ❑ Becoming A Financial Leader
- ❑ Wrap-up

Who's here? ...in 30 seconds...

☐ Organization and name

☐ What describes your budget situation?

- ✓ I don't have a budget (yet)
- ✓ I think I have a budget, not sure where it is
- ✓ I have a "wild guess" budget, not sure it is realistic
- ✓ I have a solid budget, want to learn more about it

Setting The Stage

Budgeting, Programs & Accounts

Programs
(functional expenses)

**Line
Items
(natural
expenses)**

	Youth Summit	Teen Meet
Ticket Sales		
Grants		
Supplies		
Printing		



Pop Quiz



Which of these are programs?

- ☐ Finance Freaks – a 2017 season play
- ☐ Number Ninjas – a youth parkour class
- ☐ Excel-lent – training seniors on the computer

Answer: Excel-lent



Pro Tip

1. Look for language

- ❑ Finance Freaks – a 2017 season play
- ❑ Number Ninjas – Friday parkour class
- ❑ Excel-lent – training seniors in Excel



Pro Tip

2. Look for time

- ❑ Finance Freaks – a 2017 season play
- ❑ Number Ninjas – Friday parkour class
- ❑ Excel-lent – training seniors in Excel



Pro Tip

3. Look for mission

- ❑ Finance Freaks – a 2017 season play
- ❑ Number Ninjas – Friday parkour class
- ❑ Excel-lent – training seniors in Excel

What is a Program?

Programs have:

- ❑ Unique audiences (youth, homeless, prenatal)
- ❑ Unique missions (house the homeless)
- ❑ Unique staff (prenatal program director)

What is not a Program?

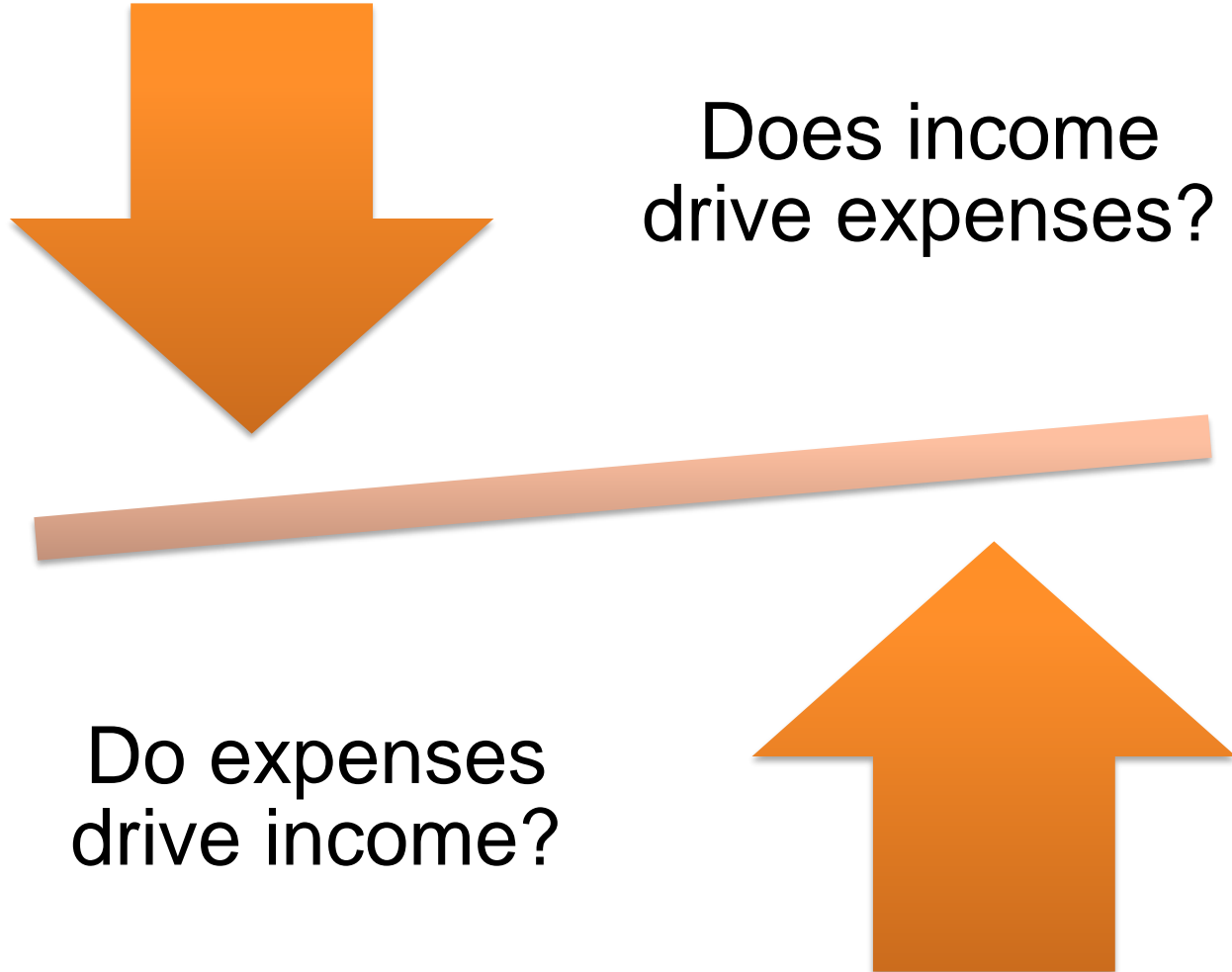
Programs are not:

- ❑ One of many classes (bollywood dancing)
- ❑ One of many services (cavity treatments)
- ❑ Part of a season (Hannukah play)
- ❑ Defined by funding sources
- ❑ Expense line items (STD testing materials)

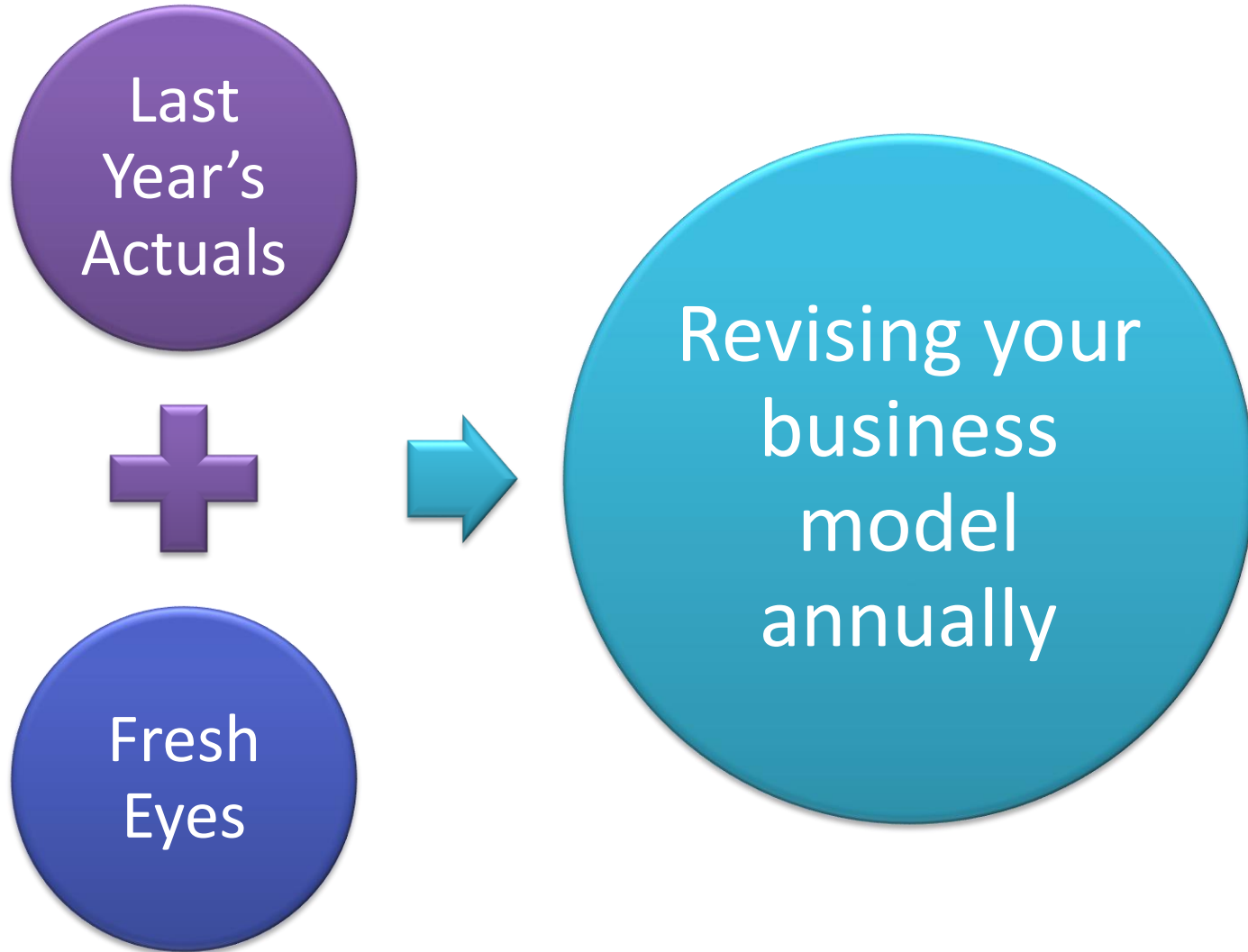
Budget Development: Overview



Budget Development: Process



Budget Development: Approach



Budget Development: Set Goals

Financial expression of mission and goals

How you plan to use your resources in a period

☐ Programmatic

Clients Served

Number of Events

Earned Revenue

New Donors

☐ Organizational

Net Income

Net Assets

Measuring Impact

Program Development



Discuss & Decide



Last year CoreCommunity's Excel-lent program exceeded its budget goals, so this year they want to expand. How should they budget for this?

- ☐ Add unidentified new grant income, maintain expenses
- ☐ Maintain income, add new expenses
- ☐ Add unidentified earned income, add new expenses
- ☐ Use last year's program surplus, maintain new budget

Answer: All of the above + many other solutions

Building & Monitoring Your Budget

Budget Development:

Expenses – Direct Program Costs

Program staff develop preliminary budgets based on goals:

Direct Program Expenses	Program A	Program B	Program C
Salaries			
Consultants	18,000	60,000	32,000
Supplies	49,300	17,000	5,100
Training	600	450	375
Insurance	3,751	2,813	2,344
Rent			
Dues & Subscriptions	250		500
Telephone			
Utilities			
Repairs & Maintenance			
Accounting & Legal	1,500	500	
Depreciation	2,500	1,875	1,563
Advertising	1,867	1,400	1,167
Printing & Mailing			
Miscellaneous	1,333	1,000	833
Total Direct Program Expenses	79,101	85,038	43,882

Budget Development:

Expenses - Allocate Staff Time

Staff Member	Salary (+ Benefits)	%	Program A	%	Program B	%	Program C
Jane	\$ 50,000	80%	\$ 40,000	20%	\$ 10,000		
Sue	\$ 75,000	73%	\$ 55,000			27%	\$ 20,250
Bill	\$ 35,000	100%	\$ 35,000				
Tom	\$ 40,000			10%	\$ 4,000	90%	\$ 36,000
Jim	\$ 60,000	75%	\$ 45,000	5%	\$ 3,000	20%	\$ 12,000
Cindy	\$ 55,000			100%	\$ 55,000		
Jeff	\$ 40,000			64%	\$ 25,600	36%	\$ 14,250
Julie	\$ 43,400			100%	\$ 43,400		
Total	\$ 398,400		175,000		141,000		82,500

Budget Development:

Expenses – Direct Program Costs

Program staff develop preliminary budgets based on goals:

Direct Program Expenses	Program A	Program B	Program C
Salaries	175,000	141,000	82,500
Consultants	18,000	60,000	32,000
Supplies	49,300	17,000	5,100
Training	600	450	375
Insurance	3,751	2,813	2,344
Rent			
Dues & Subscriptions	250		500
Telephone			
Utilities			
Repairs & Maintenance			
Accounting & Legal	1,500	500	
Depreciation	2,500	1,875	1,563
Advertising	1,867	1,400	1,167
Printing & Mailing			
Miscellaneous	1,333	1,000	833
Total Direct Program Expenses	254,101	226,038	126,382

Budget Development: Expenses – Allocate Facility Costs

Cost Allocation Methods

If dedicated
program space:
Use direct costs
(can use sq ft)

If shared
program space:
Use % capacity

Rent 100%
admin, allocated

Direct

Indirect²¹

Budget Development:

Expenses – Shared Program Space

Annual Rent = \$75,600

Program A uses the space 33% time = $\$75,600 \times 33\% = \$25,600$

Program B uses the space 25% time = $\$75,600 \times 25\% = \$18,900$

Program C uses the space 20% time = $\$75,600 \times 20\% = \$15,750$

Operating Expenses	Program A	Program B	Program C
Salaries	175,000	141,000	82,500
Consultants	18,000	60,000	32,000
Supplies	49,300	17,000	5,100
Training	600	450	375
Insurance	3,751	2,813	2,344
Rent	25,200	18,900	15,750
Dues & Subscriptions	250		500
Telephone	2,000	1,500	1,250
Utilities	1,200	900	750
Repairs & Maintenance	1,667	1,250	1,042
Accounting & Legal	1,500	500	
Depreciation	2,500	1,875	1,563
Advertising	1,867	1,400	1,167
Printing & Mailing			
Miscellaneous	1,333	1,000	833
Total Operating Expenses	284,167	248,588	145,173

Budget Development:

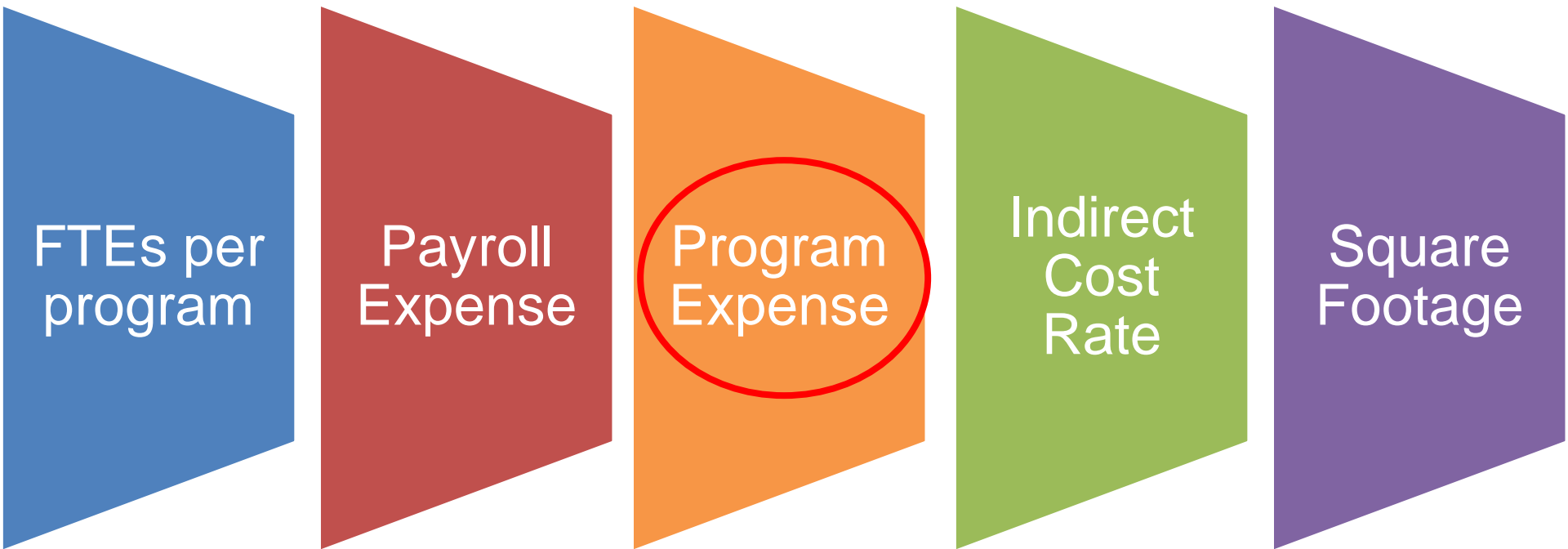
Expenses – Indirect Costs

Add organizational administrative costs (indirect costs)

Operating Expenses	Program A	Program B	Program C	MG&A	Fund	Total
Salaries	175,000	141,000	82,500	106,500	65,000	570,000
Consultants	18,000	60,000	32,000	30,833		140,833
Supplies	49,300	17,000	5,100	12,750	2,550	86,700
Training	600	450	375	225	150	1,800
Insurance	3,751	2,813	2,344	1,407	938	11,252
Rent	25,200	18,900	15,750	9,450	6,300	75,600
Dues & Subscriptions	250		500	750		1,500
Telephone	2,000	1,500	1,250	750	500	6,000
Utilities	1,200	900	750	450	300	3,600
Repairs & Maintenance	1,667	1,250	1,042	625	417	5,000
Accounting & Legal	1,500	500		10,000		12,000
Depreciation	2,500	1,875	1,563	938	625	7,500
Advertising	1,867	1,400	1,167	700	467	5,600
Printing & Mailing				10,000	30,000	40,000
Miscellaneous	1,333	1,000	833	500	333	4,000
Total Operating Expenses	284,167	248,588	145,173	185,877	107,579	971,385

Budget Development: Expenses – Allocate Indirect Costs

Cost Allocation Methods





Pop Quiz



Why allocate indirect costs?

- ☐ Understand your business model
- ☐ Recover more program costs from funders
- ☐ Improve sustainability and increase impact

Answer: All of the above

Budget Development:

Expenses – Allocate Indirect Costs

Calculate distribution

Operating Expenses	Program A	Program B	Program C	MG&A	Fund	Total
Total Operating Expenses	284,167	248,588	145,173	185,877	107,579	971,385
Indirect Cost Distribution	85,847	75,099	43,857	56,154	32,500	293,457

Indirect Costs

$$\$185,877 + \$107,579 = \$293,457$$

Indirect Cost Distribution (Program A)

(Program Expense ÷ Total Operating Expenses) x Indirect Cost

$$(\$284,167 / \$971,385) = 29\%$$

$$(29\%) * (\$293,457) = \$85,847$$

Budget Development:

Expenses – Fully-Loaded Costs

Calculate true program cost

Operating Expenses	Program A	Program B	Program C	MG&A	Fund	Total
Total Operating Expenses	284,167	248,588	145,173	185,877	107,579	971,385
Indirect Cost Distribution	85,847	75,099	43,857	56,154	32,500	293,457
True Program Expenses	370,015	323,687	189,030	56,154	32,500	971,385

Indirect Costs

$$\$185,877 + \$107,579 = \$293,457$$

Indirect Cost Distribution (Program A)

(Program Expense ÷ Total Operating Expenses) x Indirect Cost

$$(\$284,167 / \$971,385) = 29\%$$

$$(29\%) * (\$293,457) = \$85,847$$

True Program Expense

$$\$284,167 + \$85,847 = \$370,015$$



Pro Tip

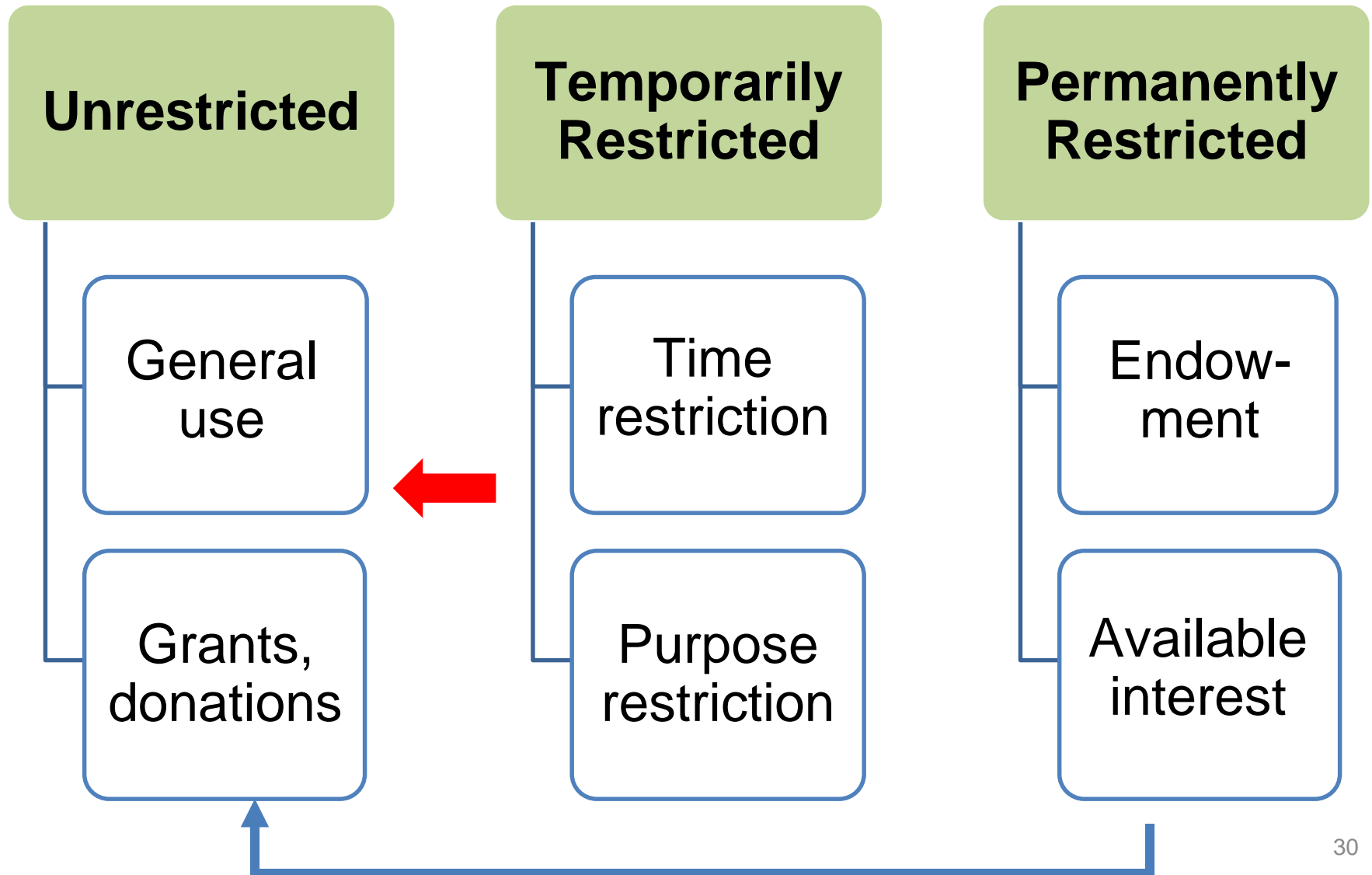
Document allocation methods for CCSF

- ❑ Process consistent & reasonable
- ❑ Procedures & plan documented in written narrative or footnotes of current approved agency-wide budget
- ❑ Matches actual cost allocation found in agency-wide budget & financial documents such as invoices
- ❑ Fundraising not allowable indirect expense by CCSF
- ❑ Important for institutional memory & transparency to funders

Budget Development: Income

Contributions	Government Funds	Earned Income	In-Kind Support	Investment Income
Individual Giving	Grants	Ticket Sales	Pro Bono	Operating fund
Corporate Grants	Contracts	Membership/ Fee for Service	Technology	Reserves
Foundation Grants	Reimbursements	Merchandise	Real Estate	Endowment
Special Events	Credit Vouchers	Rental Income	Art collections	
Assets Released	Assets Released	Royalties License Fees	Reciprocal partnerships	

Budget Development: Net Assets Released



Budget Development: Income

- ❑ Current grants & contracts to be fulfilled
- ❑ Pending grants & contracts
- ❑ New grants & contracts you plan to apply for
- ❑ Earned income from ***current*** programs
- ❑ Earned income from ***new*** programs

Budget Development: Income

Assess the likelihood of securing funds

- ❑ **Committed** = 100%

Assets released, executed contracts, award letters

- ❑ **Likely** = 75%

Based on track record or funder's recommendation

- ❑ **Possible** = 25%

New program income or new funders

Budget Development: Income

	Requested Amount	Committed	Likely	Possible	Total Budgeted Income by Funder
INCOME		100%	75%	25%	
Government					
Arts Council	225,000	225,000	-	-	225,000
Happy Valley USD	250,000	175,000	75,000	-	231,250
Pleasantville County Funding	100,000	60,000	40,000	-	90,000
Foundation Grants	-				
Helpful Foundation	75,000	75,000	-	-	75,000
Happy Valley Community Foundation	45,000	-	-	45,000	11,250
Forward-Thinking Foundation	35,000	-	-	35,000	8,750
NonprofitWorks Fund	140,000	140,000	-	-	140,000
Generous Bank Community Foundation	130,000	105,000	-	25,000	111,250
Individual Contributions	-				
Annual Fundraiser	66,133	49,600	16,533	-	62,000
Earned Income	-				
Class Fees	23,613	21,160	2,453	-	23,000
Net Assets Released	2,500	2,500	-	-	2,500
Miscellaneous	700	700	-	-	700
Total Requested	1,092,946	853,960	133,986	105,000	
Total Budgeted Income - Discounted		853,960	100,490	26,250	980,700

Budget Development: Income

		A	B	C	D
	Requested Amount	Committed	Likely	Possible	Total Budgeted Income by Funder
<u>INCOME</u>		100%	75%	25%	
Government					
Happy Valley USD	250,000	175,000	75,000	-	231,250

Total Budgeting Income by Funder

$$D = (A) * (100\%) + (B) * (75\%) + (C) * (25\%)$$

Happy Valley USD

$$\text{Committed: } (\$175,000) * (100\%) = \$175,000$$

$$\text{Likely: } (\$75,000) * (75\%) = \$56,250$$

$$\text{Total Budgeted Income By Funder: } \$175,000 + \$56,250 = \$231,250$$

Budget Development: Income

Add target dates and program

	Requested Amount	Committed	Likely	Possible	Total Budgeted Income by Funder	Timing	Program
INCOME		100%	75%	25%			
Government							
Community Council	225,000	225,000	-	-	225,000		A
Happy Valley USD	250,000	175,000	75,000	-	231,250	Jan	A&B
Pleasantville County Funding	100,000	60,000	40,000	-	90,000	Jan	B
Foundation Grants	-						
Helpful Foundation	75,000	75,000	-	-	75,000		A
Happy Valley Community Foundation	45,000	-	-	45,000	11,250	Apr	C
Forward-Thinking Foundation	35,000	-	-	35,000	8,750	Mar	B
NonprofitWorks Fund	140,000	140,000	-	-	140,000		C
Generous Bank Community Foundation	130,000	105,000	-	25,000	111,250	May	C
Individual Contributions	-						
Annual Fundraiser	66,133	49,600	16,533	-	62,000	Dec	Fundraising
Earned Income	-						
Class Fees	23,613	21,160	2,453	-	23,000		C
Net Assets Released	2,500	2,500	-	-	2,500		C
Miscellaneous	700	700	-	-	700		
Total Requested	1,092,946	853,960	133,986	105,000			
Total Budgeted Income - Discounted		853,960	100,490	26,250	980,700		



Pro Tip

Be conservative with
grant projections!

The funding landscape tends to shift
unexpectedly

Budget Development:

Combine Income & Expenses

	Program A	Program B	Program C	MG&A	Fund	Total
Income						
Government	400,000	146,250				546,250
Foundation Grants	75,000	8,750	262,500			346,250
Individual Contributions					62,000	62,000
Earned Income			23,000			23,000
Net Assets Released			2,500			2,500
Miscellaneous				700		700
Total Income	475,000	155,000	288,000	700	62,000	980,700
Operating Expenses						
Salaries	175,000	141,000	82,500	106,500	65,000	570,000
Consultants	18,000	60,000	32,000	30,833		140,833
Supplies	49,300	17,000	5,100	12,750	2,550	86,700
Training	600	450	375	225	150	1,800
Insurance	3,751	2,813	2,344	1,407	938	11,252
Rent	25,200	18,900	15,750	9,450	6,300	75,600
Dues & Subscriptions	250		500	750		1,500
Telephone	2,000	1,500	1,250	750	500	6,000
Utilities	1,200	900	750	450	300	3,600
Repairs & Maintenance	1,667	1,250	1,042	625	417	5,000
Accounting & Legal	1,500	500		10,000		12,000
Depreciation	2,500	1,875	1,563	938	625	7,500
Advertising	1,867	1,400	1,167	700	467	5,600
Printing & Mailing				10,000	30,000	40,000
Miscellaneous	1,333	1,000	833	500	333	4,000
Total Operating Expenses	284,167	248,588	145,173	185,877	107,579	971,385
Direct Net Income	190,833	(93,588)	142,827	(185,177)	(45,579)	9,315
Indirect Cost Distribution	85,847	75,099	43,857	56,154	32,500	293,457
Fully-Loaded Net Income by Program	104,985	(168,687)	98,970	(55,454)	29,500	9,315



Discuss & Decide



After budgeting expenses by program with fully-loaded costs, CoreCommunity first learns that one of their main programs is running a deficit.

What should they do?

- ☐ Cancel the program
- ☐ Hire a program manager to run it more efficiently
- ☐ Reorient all fundraising toward that program
- ☐ Operate the program as-is with a deficit

Answer: All of the above + many other solutions

Budget Development: Review

- ☐ Develop realistic fundraising goals
- ☐ Evaluate program return
- ☐ **Identify surplus strategy**
- ☐ **Assess revenue risk**
- ☐ **Examine deficits**
- ☐ **Agree on contingency plans**

Cash Surplus Strategies

- ☐ Build reserves
- ☐ Pay down credit
- ☐ Invest for interest
- ☐ R&D – research and design
- ☐ Systemic improvements

Budget Development: Risk

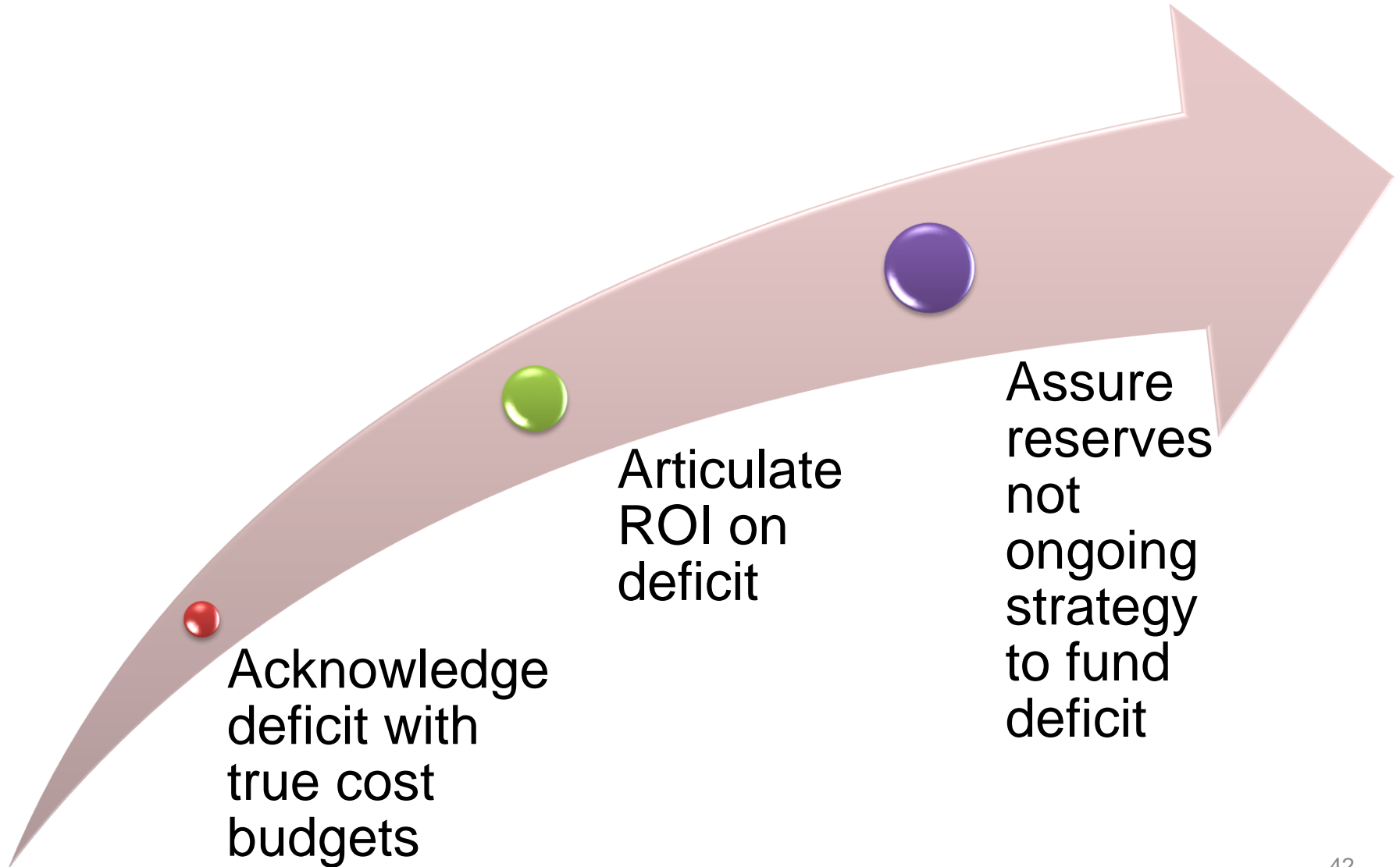
Assess Revenue Risk

Possible Discounted Income

Total Expense

$$\frac{\$26,250}{\$971,385} = 3\%$$

Budget Development: Dealing with Deficits



Budget Development: Contingency Planning

Identify pivot points

Operating Expenses	Program A	Program B	Program C	MG&A	Fund	Total
Salaries	175,000	141,000	82,500	106,500	65,000	570,000
Consultants	18,000	60,000	32,000	30,833		140,833
Supplies	49,300	17,000	5,100	12,750	2,550	86,700
Training	600	450	375	225	150	1,800
Insurance	3,751	2,813	2,344	1,407	938	11,252
Rent	25,200	18,900	15,750	9,450	6,300	75,600
Dues & Subscriptions	250		500	750		1,500
Telephone	2,000	1,500	1,250	750	500	6,000
Utilities	1,200	900	750	450	300	3,600
Repairs & Maintenance	1,667	1,250	1,042	625	417	5,000
Accounting & Legal	1,500	500		10,000		12,000
Depreciation	2,500	1,875	1,563	938	625	7,500
Advertising	1,867	1,400	1,167	700	467	5,600
Printing & Mailing				10,000	30,000	40,000
Miscellaneous	1,333	1,000	833	500	333	4,000
Total Operating Expenses	284,167	248,588	145,173	185,877	107,579	971,385

Budget Development:

Contingency Planning

Remember pivot timing

	Requested Amount	Committed	Likely	Possible	Total Budgeted Income by Funde	Timing	Program
INCOME		100%	75%	25%			
Government							
Community Council	225,000	225,000	-	-	225,000		A
Happy Valley USD	250,000	175,000	75,000	-	231,250	Jan	A&B
Pleasantville County Funding	100,000	60,000	40,000	-	90,000	Jan	B
Foundation Grants	-						
Helpful Foundation	75,000	75,000	-	-	75,000		A
Happy Valley Community Foundation	45,000	-	-	45,000	11,250	Apr	C
Forward-Thinking Foundation	35,000	-	-	35,000	8,750	Mar	B
NonprofitWorks Fund	140,000	140,000	-	-	140,000		C
Generous Bank Community Foundation	130,000	105,000	-	25,000	111,250	May	C
Individual Contributions	-						
Annual Fundraiser	66,133	49,600	16,533	-	62,000	Dec	Fundraising
Earned Income	-						
Class Fees	23,613	21,160	2,453	-	23,000		C
Net Assets Released	2,500	2,500	-	-	2,500		C
Miscellaneous	700	700	-	-	700		
Total Requested	1,092,946	853,960	133,986	105,000		44	
Total Budgeted Income - Discounted		853,960	100,490	26,250	980,700		



Discuss & Decide



**Your board is uncomfortable with net income of \$9,315.
They ask you to increase your margin.
What do you do?**

- ☐ Reduce personnel costs
- ☐ Increase personnel costs
- ☐ Reduce other costs
- ☐ Keep costs the same

Answer: All of the above + many other solutions

Budget Development: Final Draft

	Program A	Program B	Program C	MG&A	Fund	Total
Income						
Government	400,000	146,250				546,250
Foundation Grants	75,000	8,750	262,500			346,250
Individual Contributions					62,000	62,000
Earned Income			23,000			23,000
Net Assets Released			2,500			2,500
Miscellaneous				700		700
Total Income	475,000	155,000	288,000	700	62,000	980,700
Operating Expenses						
Salaries	175,000	141,000	82,500	106,500	65,000	570,000
Consultants	18,000	60,000	32,000	30,833		140,833
Supplies	34,000	17,000	5,100	12,750	2,550	71,400
Training	400	300	250	150	100	1,200
Insurance	5,751	2,813	2,344	1,407	938	11,252
Rent	25,200	18,900	15,750	9,450	6,300	75,600
Dues & Subscriptions	250		500	750		1,500
Telephone	2,000	1,500	1,250	750	500	6,000
Utilities	1,200	900	750	450	300	3,600
Repairs & Maintenance	1,667	1,250	1,042	625	417	5,000
Accounting & Legal	1,500	500		10,000		12,000
Depreciation	2,500	1,875	1,563	938	625	7,500
Advertising	1,867	1,400	1,167	700	467	5,600
Printing & Mailing				10,000	30,000	40,000
Miscellaneous	1,333	1,000	833	500	333	4,000
Total Operating Expenses	268,667	248,438	145,048	185,802	107,529	955,485
Direct Net Income	206,333	(93,438)	142,952	(185,102)	(45,529)	25,215
Indirect Cost Distribution	82,480	76,270	44,529	57,041	33,011	293,332
Fully-Loaded Net Income by Program	123,852	(169,708)	98,422	(56,341)	28,989	25,215



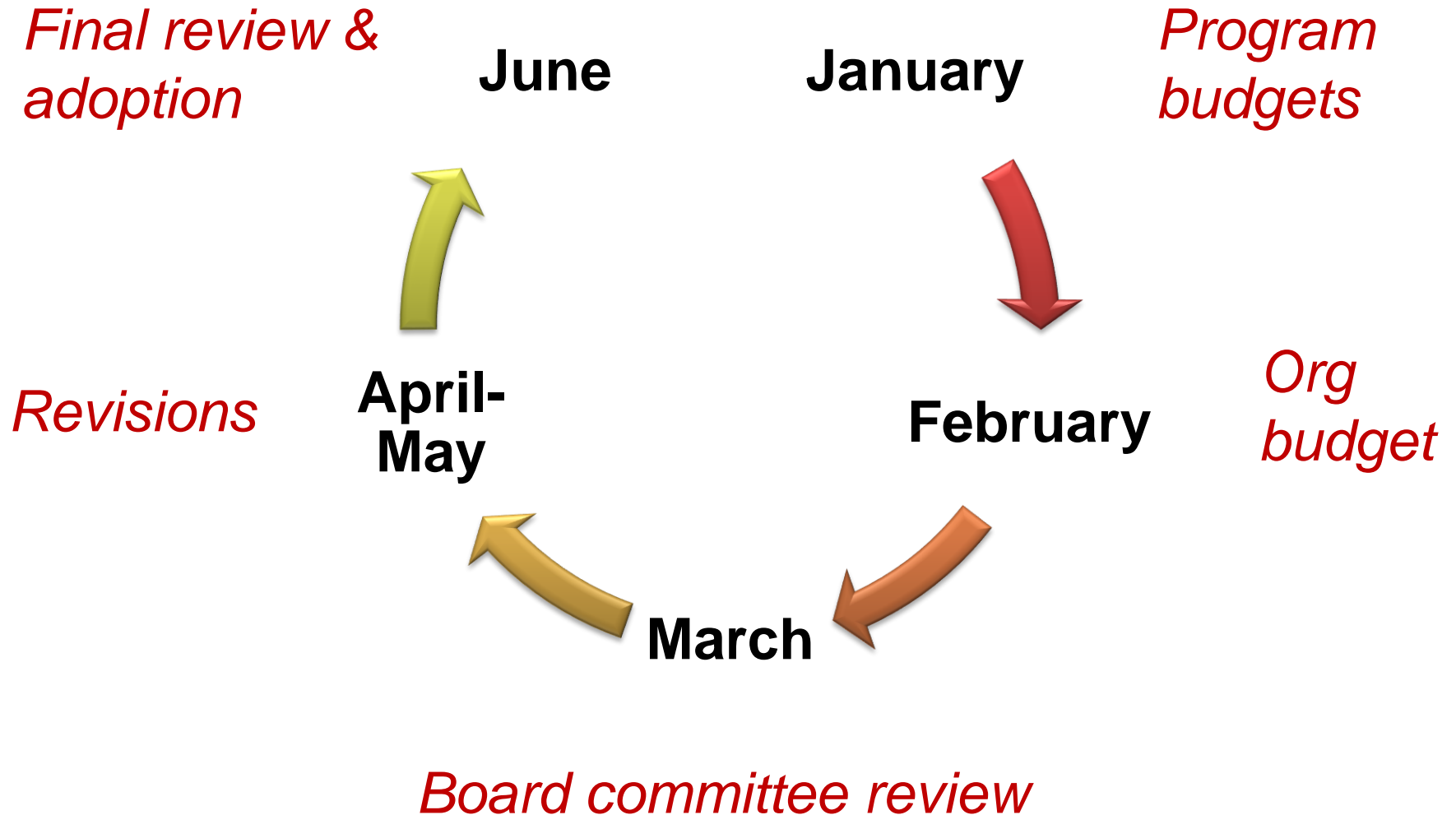
Pro Tip

Budget for a surplus
to meet your long-term goals

- ☐ Operating Reserve
- ☐ Facility Reserve
- ☐ Program Development
- ☐ Debt Principal Repayment

Budget Development: Timeline

July-June fiscal year





Pop Quiz



What happens from July to December?

- ☐ We all go to the Bahamas
- ☐ NCCLF runs our organizations for us
- ☐ We monitor actuals and make adjustments

Answer: Monitor your actuals!

Variance Report

A

B

C

B – C = D

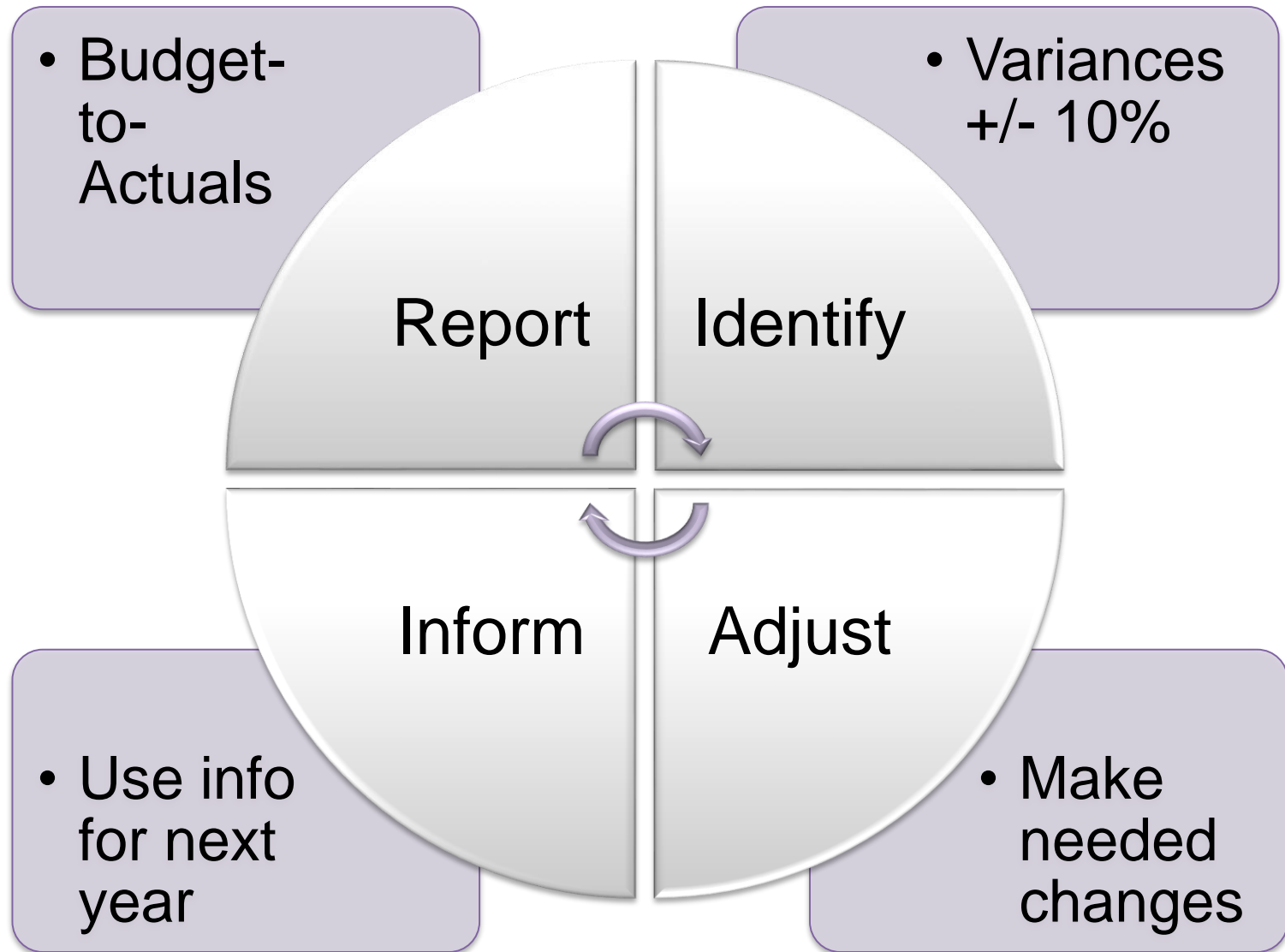
D ÷ B = E

	Annual Budget	YTD Budget	Actuals Jul - Sept	Variance Budget - Actual	Variance % Actual/Budget
Income					
Government	546,250	136,563	119,438	17,125	-13%
Foundation Grants	346,250	86,563	143,000	(56,438)	65%
Individual Contributions	62,000	15,500	10,000	5,500	-35%
Earned Income	23,000	5,750	3,000	2,750	-48%
Net Assets Released	2,500	2,500	2,500	-	0%
Miscellaneous	700	175	629	(454)	259%
Total Income	980,700	247,050	278,567	(31,517)	13%
Operating Expenses					
Salaries	570,000	142,500	145,328	(2,828)	2%
Consultants	140,833	35,208	32,497	2,711	-8%
Supplies	71,400	17,850	15,000	2,850	-16%
Training	1,200	300	557	(257)	86%
Insurance	11,252	2,813	-	2,813	-100%
Rent	75,600	18,900	18,900	-	0%
Dues & Subscriptions	1,500	375	570	(195)	52%
Telephone	6,000	1,500	1,500	-	0%
Utilities	3,600	900	900	-	0%
Repairs & Maintenance	5,000	1,250	3,500	(2,250)	180%
Accounting & Legal	12,000	3,000	2,575	425	-14%
Depreciation	7,500	1,875	1,875	-	0%
Advertising	5,600	1,400	5,000	(3,600)	257%
Printing & Mailing	40,000	10,000	-	10,000	-100%
Miscellaneous	4,000	1,000	773	227	-23%
Total Operating Expenses	955,485	238,871	228,975	9,896	-4%
Net Income	25,215	8,179	49,592	(41,413)	506%

Variance Report: Strive for <10% under/over

	Annual Budget	YTD Budget	Actuals Jul - Sept	Variance Budget - Actual	Variance % Actual/Budget	
Income						
Government	546,250	136,563	119,438	17,125	-13%	
Foundation Grants	346,250	86,563	143,000	(56,438)	65%	Over
Individual Contributions	62,000	15,500	10,000	5,500	-35%	Under
Earned Income	23,000	5,750	3,000	2,750	-48%	Under
Net Assets Released	2,500	2,500	2,500	-	0%	
Miscellaneous	700	175	629	(454)	259%	
Total Income	980,700	247,050	278,567	(31,517)	13%	
Operating Expenses						
Salaries	570,000	142,500	145,328	(2,828)	2%	
Consultants	140,833	35,208	32,497	2,711	-8%	
Supplies	71,400	17,850	15,000	2,850	-16%	
Training	1,200	300	557	(257)	86%	
Insurance	11,252	2,813	-	2,813	-100%	Under
Rent	75,600	18,900	18,900	-	0%	
Dues & Subscriptions	1,500	375	570	(195)	52%	
Telephone	6,000	1,500	1,500	-	0%	
Utilities	3,600	900	900	-	0%	
Repairs & Maintenance	5,000	1,250	3,500	(2,250)	180%	
Accounting & Legal	12,000	3,000	2,575	425	-14%	
Depreciation	7,500	1,875	1,875	-	0%	
Advertising	5,600	1,400	5,000	(3,600)	257%	Over
Printing & Mailing	40,000	10,000	-	10,000	-100%	Under
Miscellaneous	4,000	1,000	773	227	-23%	
Total Operating Expenses	955,485	238,871	228,975	9,896	-4%	
Net Income	25,215	8,179	49,592	(41,413)	506%	Over

Budget Monitoring

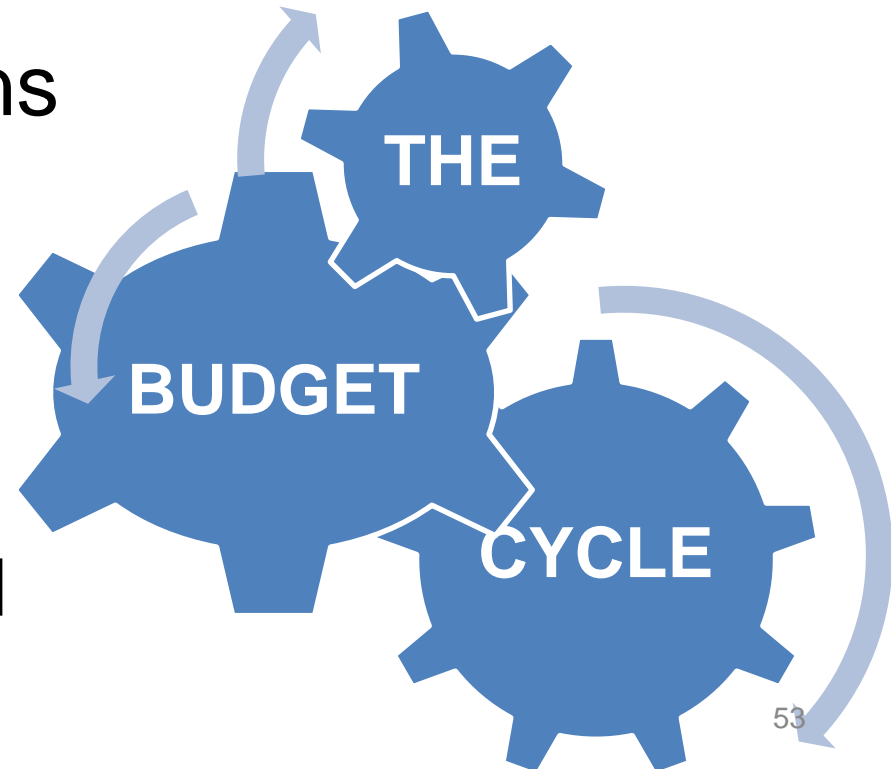


Always Be Budgeting

A healthy organization is always budgeting:

- ☐ Developing the budget
- ☐ Implementing decisions
- ☐ Gathering information
- ☐ Making adjustments

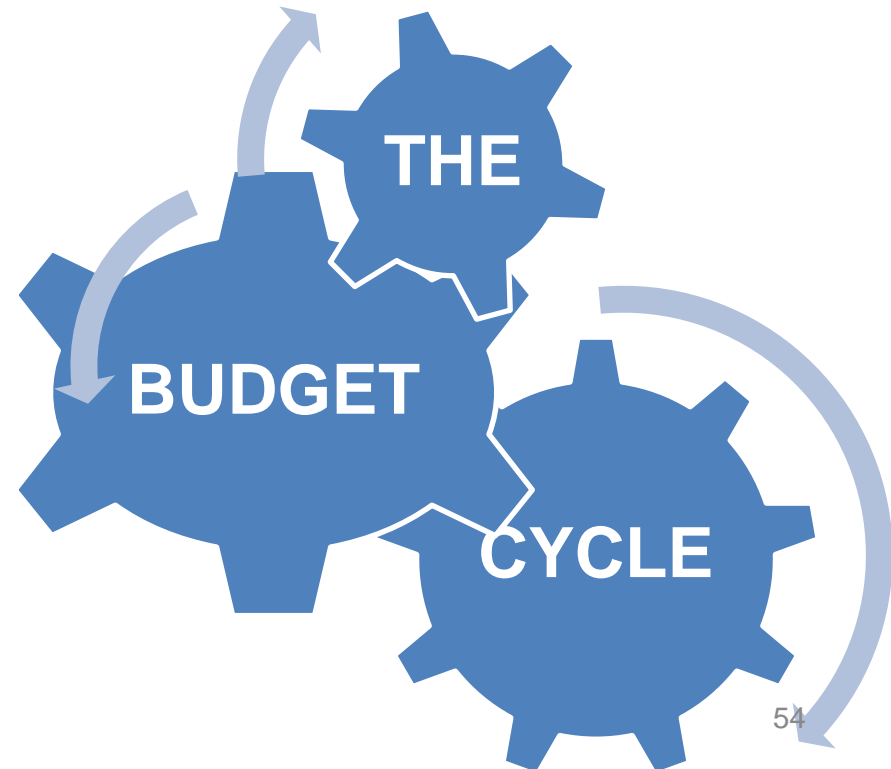
That's why it's called



Always Be Budgeting

Why?

- ❑ Continuity for clients
- ❑ Reliability for staff
- ❑ Growth & expansion
- ❑ Impact



Case Study: ParentsPlus

Vision: We envision a time when parents will have the skills and confidence to help their children to succeed in school.

Mission: To provide parents in the Happy Campers School District with skills & confidence to help their children succeed in school.

Programs

Training Program provides homework help training for parents

Family Activities organizes monthly activities for parents/children

Health Check-Ups provides medical services for low-income children

Kindergarten Tours recruits new families for the incoming class

Goals, 2018 – 2020

1. All children in Happy Camper School District will read at grade level.
2. Develop a strong school community.

Case Study: ParentsPlus

Split up into an ED group and a Board group.

EDs: Your job is to present your budget (attached) to the Board with the goal of getting it approved. Be ready to explain why you are comfortable with 3 out of 4 programs running a deficit.

Boards: Your job is to review the budget and decide whether to approve it. What questions do you want to ask? What context could help you feel more comfortable with the projections? What additional information might you want to request?

Developing Grant Budgets

Grant Budget Development

	Program A	Program B	Program C	MG&A	Fund	Total
Income						
Government	400,000	146,250				546,250
Foundation Grants	75,000	8,750	262,500			346,250
Individual Contributions					62,000	62,000
Earned Income			23,000			23,000
Net Assets Released			2,500			2,500
Miscellaneous				700		700
Total Income	475,000	155,000	288,000	700	62,000	980,700
Operating Expenses						
Salaries	175,000	141,000	82,500	106,500	65,000	570,000
Consultants	18,000	60,000	32,000	30,833		140,833
Supplies	34,000	17,000	5,100	12,750	2,550	71,400
Training	400	300	250	150	100	1,200
Insurance	3,751	2,813	2,344	1,407	938	11,252
Rent	25,200	18,900	15,750	9,450	6,300	75,600
Dues & Subscriptions	250		500	750		1,500
Telephone	2,000	1,500	1,250	750	500	6,000
Utilities	1,200	900	750	450	300	3,600
Repairs & Maintenance	1,667	1,250	1,042	625	417	5,000
Accounting & Legal	1,500	500		10,000		12,000
Depreciation	2,500	1,875	1,563	938	625	7,500
Advertising	1,867	1,400	1,167	700	467	5,600
Printing & Mailing				10,000	30,000	40,000
Miscellaneous	1,333	1,000	833	500	333	4,000
Total Operating Expenses	268,667	248,438	145,048	185,802	107,529	955,485
Direct Net Income	206,333	(93,438)	142,952	(185,102)	(45,529)	25,215
Indirect Cost Distribution	82,480	76,270	44,529	57,041	33,011	293,332
Fully-Loaded Net Income by Program	123,852	(169,708)	98,422	(56,341)	28,989	25,215

Grant Budgets: Program B

	Budget - Program B
Income	
Government	146,250
Foundation Grants	8,750
Individual Contributions	
Earned Income	
Net Assets Released	
Miscellaneous	
Total Income	155,000
Fully-Loaded Program Expenses	
Salaries	141,000
Consultants	60,000
Supplies	17,000
Training	300
Insurance	2,813
Rent	18,900
Dues & Subscriptions	
Telephone	1,500
Utilities	900
Repairs & Maintenance	1,250
Accounting & Legal	500
Depreciation	1,875
Advertising	1,400
Printing & Mailing	
Miscellaneous	1,000
Indirect Cost Distribution	76,270
Total Program Operating Expenses	324,708

2 government grants
+
1 foundation grant



Total requested = \$210,000



Total budgeted = \$155,000

Program B Funding Requests

	Budget - Program B	Grant Request - Happy Valley USD	Grant Request - Pleasantville County Funding	Grant Request - Forward-Thinking Foundation
Income				
Government	146,250	75,000	100,000	
Foundation Grants	8,750			35,000
Individual Contributions				
Earned Income				
Net Assets Released				
Miscellaneous				
Total Income	155,000	75,000	100,000	35,000
Fully-Loaded Program Expenses				
Salaries	141,000	45,000	60,000	7,500
Consultants	60,000	15,000	15,000	4,000
Supplies	17,000	4,000	5,000	8,000
Training	300			
Insurance	2,813		-	
Rent	18,900		4,000	5,000
Dues & Subscriptions				
Telephone	1,500		1,000	500
Utilities	900		-	
Repairs & Maintenance	1,250		-	1,250
Accounting & Legal	500			
Depreciation	1,875		-	1,875
Advertising	1,400			1,400
Printing & Mailing				
Miscellaneous	1,000			1,000
Indirect Cost Distribution	76,270	11,000	15,000	4,475
Total Program Operating Expenses	324,708	75,000	100,000	35,000



Pro Tip

Grant budget narratives are an opportunity to articulate *how the funder will become an impact partner*

Case Study: Helpful Hand

Helpful Hand Nonprofit runs a community center that offers a variety of services to low-income children and their parents.

Last year Helpful Hand's government funding was reduced due to budget cuts and the organization took out a line of credit to help with cash flow management.

In FY10 Helpful Hand is hoping to generate a surplus to pay down a portion or all of the line of credit.

Case Study: Helpful Hand

Use the attached financial statements to develop a strategy to address the below scenarios:

Scenario 1: Your budget includes a unrestricted \$35,500 foundation grant. The grant was supposed to be approved in September however you just got a call from the foundation officer and your grant request has been denied. Use the attached financial statements to develop a strategy to pay down your line of credit.

Scenario 2: The \$120,000 grant you thought would be approved in June is not going to be approved until October (Helpful Hand has a 12/31 fiscal year-end). You budgeted for a grant term of 7/1/17-6/30/18 but now the term has changed to 10/1/17-10/30/18. How will this affect your annual budget? Your August budget-to-actual variance? Your YTD budget-to-actual variance? What is the potential impact on cash flow?

Becoming A Financial Leader

Financial Leadership

- ❑ Pursue all funding, not just unrestricted
 - ✓ *restrictions only limit if they were already stretches*
- ❑ Properly staff finance function
 - ✓ *staff, contractors, board*
- ❑ Discuss expectations of financial roles with board
 - ✓ *there's a right fit for organizations of every size*
- ❑ Perform against budget
 - ✓ *be nimble & increase net assets annually*
- ❑ Understand revenue diversity
 - ✓ *strengths & weaknesses*
- ❑ Monitor cash & build reserves
 - ✓ *cash is king, queen, jack, jill and ACE!*

Budgeting 201

...get excited!

- ❑ Monthly/quarterly budgets – *executing pivot points*
- ❑ Multi-year budgets – *using budgets to drive strategy*
- ❑ Capitalization budgets – *building a sustainable future*
 - ❑ Reserves
 - ❑ Program research, measurement & development
 - ❑ Debt principal payments



Mission

NCCLF promotes economic justice and alleviates poverty by increasing the financial resilience and sustainability of nonprofits and enterprises. Through flexible financial products and sound advice, we create opportunities to make socially responsible investments that revitalize Northern California communities.

Vision

NCCLF envisions financially strong and culturally vibrant communities where each person has access to decent jobs, homes, health care, education, and economic opportunities. We work in partnership with individuals and organizations who share our vision of sustainable communities and social and economic justice.

Our Programs



Lending
&
NMTC

Consulting

Socially
Responsible
Investing

Policy

NCCLF Consulting & Training

*Helping nonprofits use
their resources strategically*

Real Estate Consulting

- Workshops and individual consulting engagements that help nonprofits manage their real estate resources.
 - Lease vs. Buy Analysis
 - NMTC Feasibility Analysis
 - Facility Strategic Planning
 - Real Estate Coaching



NCCLF Consulting & Training

*Helping nonprofits use
their resources strategically*

Financial Management Consulting

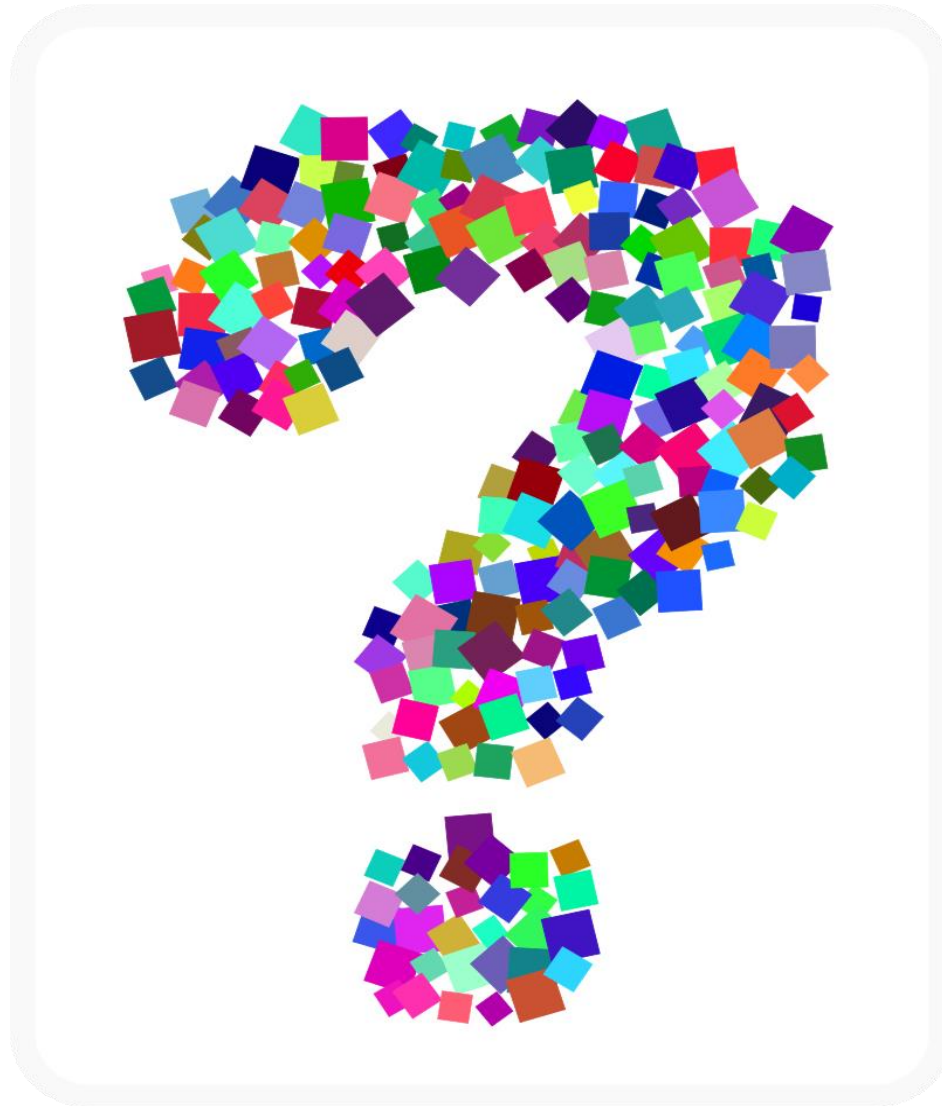
- Workshops and individual consulting engagements that strengthen the financial management capacity of nonprofit leadership.
 - Financial Assessments
 - Business Model Optimization
 - Budget Development
 - Cash Flow Management
 - Financial Education



Resources

- ❑ [Nonprofit Quarterly](#)
- ❑ [Propel Nonprofits](#) (Nonprofits Assistance Fund)
- ❑ [Nonprofit Finance Fund](#)
- ❑ [Compasspoint](#)
- ❑ [California Association of Nonprofits](#) (CalNonprofits)

Questions & Evaluations



Contact



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Glossary of Financial Terms

The following glossary includes financial and accounting terms that get used in our Fiscal Fitness workshops. This glossary is intended for our non-accountant clients. For those wanting a more comprehensive list of financial and accounting terms see the Suggested Resources section.¹

A

Accrual Accounting – An accounting method that records a transaction when the money has been earned or the expenses have been incurred regardless of whether the cash payment has been received or made. Accrual accounting is generally preferred by organizations because it matches revenues and expenses during the time period in which they occurred.

Asset – Anything of value owned by the organization such as cash, furniture, etc. In *accrual-based accounting*, money owed to the organization is considered an asset even when the organization hasn't yet collected it. (The opposite is *liability*.)

Audit – A systematic examination of financial books and records involving analyses, tests, and confirmations to determine their accuracy, completeness, and compliance with established standards.

Audit Trail – The ability to trace a transaction from its initial recording all the way through the accounting process to the published financial statements. Auditors want to be able to reverse the process: trace the composition of the financial figures in the financial statements back to the individual transactions.

B

Balance Sheet – One of the three main *financial statements*. It lists the total *assets* and the total *liabilities* of the organization to portray its *net worth* at a given moment of time. Essentially a snapshot of the organization's finances. Also known as a "statement of financial position".

Budget – A detailed projection of income and expenses expected over a certain period of time.

Budget Cycle - The time frame in which an organization's annual budget is formulated, presented, approved, enacted, and monitored.

Budgeted-to-Actual Report – A report that compares budgeted income and expenses to the amounts actually received and spent. This can be done for matching periods of time, or the actual expenses for the period can be reported cumulatively or on a *year to date* basis.

C

Calendar Year – An accounting period that runs from January 1 through December 31.

Cash – Money, negotiable checks, certificates of deposit, and balances in savings and checking accounts.

¹ All definitions are the responsibility of NCCLF but extensive use was made of the following source: the Small Hill Partners publication, "Financial Skills and Strategic Budgeting for Labor Leaders: A Curriculum".

Cash Basis of Accounting – A method of accounting that records transactions only when cash or other tangible goods have changed hands. *Revenue* and *expenses* are recorded in the period they are actually received or expended in cash. Use of the cash basis generally is not considered to be in conformity with *generally accepted accounting principles* (GAAP) and is therefore used only in selected situations, such as for very small businesses and (when permitted) for income tax reporting. (Contrast with *accrual basis*.)

Cash-flow statement – One of the three main *financial statements*. It states the financial activities of the organization in purely cash terms for a certain period of time. That is, if the organization's books use the *accrual basis of accounting* then the statement of cash flows essentially re-states the *income statement* by removing all non-cash items (*depreciation, accounts receivable, etc.*). If the organization's books use a purely *cash basis of accounting*, then there will be nothing to re-state: the net change in cash (on the *cash-flow statement*) will be the same as *net income* (on the *income statement*).

Chart of Accounts – The coding system that the organization's accounting system uses to categorize transactions. Usually it is in the form of account names and associated numbers (e.g., "101-00-000 Checking account" or "405-00-000 Dues income"). The code numbers are generally arranged in the order in which they appear in the financial statements. The chart of accounts is a tool that allows an organization to summarize their financial activities in a way that gives them useful information for decision-making.

Change in Net Assets – The amount left over when you subtract *expenses* from *revenue*. This amount appears as the bottom line of the *income statement* (See *net income*).

Cost Accounting – The process of allocating costs based on their use or consumption by various departments or programs.

Current Assets – Assets that are liquid or will become liquid in the next twelve months.

Current Liabilities – Liabilities that will come due or need to be paid in the next twelve months.

D

Deficit – A deficit occurs when the *expenses* incurred by an organization exceed income earned during a specific period of time.

Depreciation – A systematic process by which the recorded value of a long-term *asset*, such as a building, is gradually reduced from its original cost on the organization's books. An organization using a pure *cash basis of accounting* would not use depreciation: the purchase of the asset would have been considered an *expense* and the asset would never have appeared on the organization's book

E

Expense – Expenses are the daily costs incurred in running and maintaining the organization. In that sense it is the same as an expenditure. Not all disbursements, however, are considered expenses: for an organization using the *accrual basis of accounting*, a cash payment made to pay back a loan would *not* be an expense but rather the reduction of a liability. Conversely, some expenses may not be triggered by an underlying cash transaction. You may hear *expense* used as a verb, usually as in, "Should we expense it

or book it?” That refers to the purchase of an asset, and the question can be translated as, “Should we record this disbursement as an expense, or should we record this thing we purchased as an asset on our books instead?” (See *depreciation*)

F

FASB – The Financial Accounting Standards Boards. FASB periodically issues statements that define what are acceptable and unacceptable accounting practices in the private and non-profit sectors. In fact, they define what is and isn’t *GAAP*.

Financial Reports – Any financial information presented in a summarized or organized fashion. (Contrast with the more specific meaning of *financial statements*.)

Financial Statements – Written reports that quantitatively describe the financial health of the organization. They always include an *income statement* and a *balance sheet*, which are always presented together as of a certain date. In an organization that uses the *accrual basis of accounting* financial statements may also include a *cash-flow statement*. These are the core documents that management can use to understand their organization’s finances. We generally use the term *financial reports* when talking about reports other than the three core financial statements.

Fiscal Year – A twelve month period used by an organization for accounting purposes. It does not necessarily coincide with the *calendar year*.

Fixed Assets – Those assets acquired for use by the organization with no intention of selling them until their usefulness is diminished, such as land, buildings, office equipment, furniture, etc.

Form 940 – Employer’s Annual Federal Unemployment (FUTA) Tax Return – is an annual return due on or before Jan. 31, following the calendar year to which it relates. Basically, filing the Form 940 reconciles federal unemployment tax deposits with total wages subject to tax.

Form 941 – Employer’s Quarterly Federal Tax Return – is used to reconcile tax deposits made throughout the quarter and to pay any un-deposited taxes due. By the last day of April, July, October and January you should file Form 941 with the IRS.

Form 1099-MISC – Miscellaneous Income – is a form used to report miscellaneous income to the IRS. It must be used when reporting amounts paid to individuals, other than those for salaries and wages, if those payments exceed \$600 for the year. The date for filing this form is the same as those for the IRS W–2, Wage and Tax Statement.

FTE – Stands for “full time equivalent,” a unit of the size of a staff that takes into account both the number of employees and the fraction of full-time work each employee performs. For example, if your program staff consists of two full-time employees and three part-time employees, your program has 3.5 FTE.

Fund Balance – This term is out of date – see Net Assets.

G

GAAP – See *generally accepted accounting principles*.

Generally Accepted Accounting Principles – Also known as *GAAP*. A set of formal accounting standards established by FASB (and GASB).

Goals – What an organization hopes to accomplish in order to further its mission.

Grant Term – The period during which a grant is expected to be used and reported on. It may not coincide with either the calendar year or your fiscal year. Nevertheless, it is the period that matters to your grantor.

H

I

Income – Money received by a person or organization because of effort or a return on investments. For an organization using the *accrual basis of accounting*, however, not all receipts are considered income and not all income is triggered by an underlying receipt of cash. For example, a report from an employer detailed dues collected might properly be recorded as income, even though the employer hasn't yet sent the money. Also referred to as revenue.

Income Statement – One of the three core *financial statements*. It shows your *income* and *expenses* for a specific period of time. The difference between income and expense is your *net income*. In contrast to the *balance sheet* the income statement represent transactions *between* one specific date and another. Also known as a “profit and loss statement” or a “statement of financial activity”.

Internal Controls – Procedures and policies designed to prevent fraud and minimize errors while promoting operating efficiency.

Interest – Money earned on an organization's bank accounts or investments or the charge or cost for using money, frequently expressed as a rate per period, usually one year, called the interest rate.

Invoice – A detailed list of goods purchased by an organization or services rendered to an organization with an account of all costs. Usually required before payment will be issued for the goods or services.

J

K

L

Liability – An obligation or a debt – what the organization owes to other persons or organizations. A liability appears on an organization's formal accounting records only if the organization is on an *accrual basis of accounting*.

Line Items – A specific category in a budget that has been set aside for a particular expense, such as wages or telephone service.

Line of Credit – An agreement by a commercial bank or other financial institution to extend credit to an organization up to a certain amount and for a defined period of time. The organization can draw funds at any time, and can borrow, repay, and borrow again, any

and all of the credit extended. This gives an organization more flexibility in planning for operating expenses.

Long Term Asset – An asset that will not be converted into cash within the next twelve months.

Long Term Liability – A liability that will not be due or need to be repaid within the next twelve months.

Liquidity – The ease with which an asset can be converted into cash. On the *Balance Sheet* assets and liabilities are usually listed in order of liquidity.

M

Mission-Based Budget – A budget that reflects the goals and priorities of an organization.

N

Negotiate – To transfer ownership of a financial instrument (like a check) to another (such as a bank) in return for a thing of value (usually cash).

Net Assets – The overall value on the organization's books of the what the organization owns, after subtracting what it owes. More specifically, on the *balance sheet*: *assets* minus *liabilities* equals net assets. (Also known as *net worth* or *fund balance*.)

Net Income – The amount left over when you subtract *expenses* from *income*. This amount appears as the bottom line of the *income statement*.

Net Worth – An informal name for *net assets*.

Non-sufficient Funds (NSF) – A situation where the balance in an account is not sufficient to cover the amount of checks written on the account. Such checks are commonly referred to as "bounced" checks.

O

Outstanding Checks – Checks written by the organization which have not yet been deducted from the organization's checking account balance by the bank.

Outstanding Deposits – Deposits that have been recorded by an organization but have not yet been received (and recorded) by the bank. Also called "deposits in transit."

P

Payee – A person to whom money is paid.

Permanently Restricted Net Assets – The portion of *net assets* that are set aside in perpetuity. An endowment is an example of a permanently restricted net asset.

Prioritized Goals – Goals of an organization that are prioritized in order of what best fulfills the organizations mission.

Q

R

Receipt – A document which the organization provides to confirm that money has been collected or which a vendor provides to confirm that goods or services have been provided to the organization.

Receipts – Can refer to documents cited above or money received by an organization.

Receipts Reconciliation – A comparison of an organization's receipts records with the records of the bank (bank statement), listing differences to bring the balances into agreement.

Receipts Journal – A chronological listing of an organization's receipts including the date, amount, source, and purpose of each receipt.

Reconcile – A method of calculating the correct amount of cash in a bank account by taking the opening balance of the account, adding any receipts, deducting any disbursements (not including outstanding checks), and comparing the result with the bank statement ending balance.

Reserves – Money set aside in anticipation of future expenses. These expenses can be expected or can arise suddenly out of an emergency. Two common reserves are an operating reserve for ordinary expenses, and a replacement reserve for when parts of a building wear out or break down.

Resource Allocation – Another name for budgeting, when budgeting is done in more than a rote manner – that is, when leadership affirmatively allocates the resources of the organization towards specific purposes.

S

Signatory – The individual in an organization who is authorized to sign checks.

Supporting Documents – Check-off lists, bills, invoices, and other documents maintained by the organization to verify the accuracy of the entries made in the organization's records and deposits and withdrawals made on the organization's accounts. Also called Supporting Documentation.

Surplus – A surplus occurs when an organization earns more income than the expenses incurred during a given period.

T

Temporarily Restricted Net Assets – The portion of an organization's *net assets* with donor imposed restrictions. When an organization is awarded a grant with time or programmatic restrictions, a portion of the grant is generally restricted until the terms of the grant are fulfilled.

Trial Balance – In accounting, a listing of all accounts used to determine whether the accounts balance. That is, with all balances entered as debits or credits, whether total debits equal total credits. A trial balance is typically prepared at the end of an accounting period just before preparing the adjusting entries and the financial statements.

U

Unrestricted Net Assets – The portion of an organization's *net assets* that carry no obligation to be spent on any particular expense. This is in contrast to grant funds that are earmarked for the uses for which the organization warranted to the grantor they would be used.

V

Variance Report – A report that shows by how much an expense or an income source has deviated from what was projected in the budget.

Void check – An organization check made invalid because of a mistake made in its preparation.

W

Withdrawal Slip – Bank document prepared by the account holder, such as an organization, that reflects the amount withdrawn from an account.

X

Y

Year – To – Date (YTD) – The amount of expenses incurred or income received from the beginning of the *calendar year* to the end of the period being reported. If an organization's *fiscal year* is different from the calendar year, reporting is done FYTD – fiscal year-to-date.

Z

ParentsPlus

Vision: We envision a time when parents will have the skills and confidence to help their children to succeed in school.

Mission: To provide parents of children in the Happy Campers School District with the skills and confidence to help their children succeed in school.

Programs:

Training Program - provides homework help training for parents

Family Activities - organizes monthly activities for parents and their children

Health Check-Ups - provide access to medical services for low-income children

Kindergarten Tours - recruits new families for the incoming class

Goals for 2018 - 2020:

1. All children in the Happy Camper School District will read at grade level.
2. Develop a strong school community.

**Parents Plus
Program View of Budget
2018**

	Annual Budget	Management and General	Training Program	Family Activities	Health Check-Ups	Kindergarten Tours	
1	INCOME						
2							
3	Corporate Contributions	150,000	20,000	100,000	25,000	-	5,000
4	Foundation Contributions	300,000	15,000	168,000	105,000	2,000	10,000
5	Government Contracts/Contributions	300,000	-	45,000	30,000	225,000	-
6	Individual Contributions	75,000	75,000	-	-	-	-
7	Board Member Contributions	2,500	2,000	-	-	-	500
8	Miscellaneous Income	7,500	7,500	-	-	-	-
9							
10	TOTAL INCOME	835,000	119,500	313,000	160,000	227,000	15,500
11							
12							
13							
14	EXPENDITURES						
15							
16	Personnel Expenses	486,380	63,000	212,000	137,380	50,000	24,000
17	Occupancy	32,300	8,075	12,113	12,113	-	-
18	Consumables	19,600	2,600	12,161	4,289	-	550
19	Insurance	4,268	2,347	864	1,056	-	-
20	Equipment	15,000	3,750	7,875	3,375	-	-
21	Conf, Trav, and Meetings	14,500	3,560	3,505	4,000	3,000	435
22	Board Discretionary	2,500	2,000	-	-	-	500
23	Other	240,500	11,250	780	1,370	225,000	2,100
24							
25	TOTAL EXPENDITURES	815,048	96,582	249,298	163,583	278,000	27,585
26							
27							
28	NET INCOME	19,952	22,918	63,702	(3,583)	(51,000)	(12,085)

Helpful Hand Nonprofit

Overview

Helpful Hand Nonprofit runs a community center that offers a variety of services to low-income children and their parents. Last year Helpful Hand's government funding was reduced due to budget cuts and the organization took out a line of credit to help with cash flow management. In FY10 Helpful Hand is hoping to generate a surplus to pay down a portion or all of the line of credit.

Use the attached financial statements to develop a strategy to address the below scenarios:

1. Your budget includes a unrestricted \$35,500 foundation grant. The grant was supposed to be approved in September however you just got a call from the foundation officer and your grant request has been denied. Use the attached financial statements to develop a strategy to pay down some of your line of credit.
2. The \$120,000 grant you thought would be approved in June is not going to be approved until October (Helpful Hand operates on a 12/31 fiscal year-end). You budgeted for a grant term of 7/1/17 - 6/30/18 but now the grant term has changed to 10/1/17 - 10/30/18.

How will this affect your annual budget?

How will this affect your August budget-to-actual variance?

How will this affect your year-to-date budget-to-actual variance?

Helpful Hand Nonprofit
Monthly Budget
1/1/2017 through 12/31/2017

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	FY10 Total
INCOME													
Corporate Contributions	50,000		10,000				35,000			15,000		25,000	135,000
Foundation Contributions	20,417	20,417	48,417	20,417	20,417	145,417	24,583	24,583	60,083	24,583	24,583	24,583	458,500
Government Contracts	11,625	14,725	15,500	11,625	16,275	11,625	6,200	6,800	12,750	17,850	16,150	11,050	152,175
Individual Contributions			1,000				1,000					2,500	4,500
Board Member Contributions						750						250	1,000
Program Fees	150	225	350	350	500	75	55	215	400	425		180	2,925
Interest - Investment Income													-
Miscellaneous Income				150			263			600		300	1,313
Total Income	82,192	35,367	75,267	32,542	37,192	157,867	67,101	31,598	73,233	58,458	40,733	63,863	755,413
EXPENSES													
Salaries	35,750	35,750	35,750	35,750	35,750	35,750	35,750	35,750	40,333	40,333	40,333	40,333	447,333
Payroll Taxes & Benefits	5,363	5,363	5,363	5,363	5,363	5,363	5,363	5,363	6,050	6,050	6,050	6,050	67,100
Payroll Fees	358	358	358	358	358	358	358	358	403	403	403	403	4,473
Audit and Accounting	3,000	3,000	5,000	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	24,500
Contract Services	6,617	6,650	8,367	5,250	8,717	5,250	2,487	1,120	8,192	9,555	10,012	5,915	78,130
Dues and Subscriptions							300					750	1,050
Equipment Rental	1,217	1,217	1,217	1,217	1,217	1,338	1,338	1,338	1,338	1,338	1,338	1,338	15,452
Insurance	388	388	388	388	388	465	465	465	465	465	465	465	5,193
Interest	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,200				12,400
Occupancy	3,500	3,500	3,500	3,500	3,500	3,710	3,710	3,710	3,710	3,710	3,710	3,710	43,470
Supplies	75	75	950	100	100	300	50	55	1,000	150	60	950	3,865
Postage and Delivery	35	800	35	35	35	750	35	35	35	35	600	125	2,555
Printing and Publications		250				215					450		915
Repairs and Maintenance							2,500						2,500
Taxes & Licenses		750											750
Telephone	129	129	129	137	137	137	137	137	137	137	137	137	1,620
Travel and Conferences	100	100	1,575	225	225	55	300	55	125	1,100	150	75	4,085
Total Expenses	57,930	59,728	64,030	55,221	58,688	56,590	55,692	51,285	64,489	64,777	65,209	61,752	715,391
NET INCOME	24,262	(24,362)	11,237	(22,679)	(21,496)	101,276	11,409	(19,687)	8,745	(6,319)	(24,475)	2,111	40,022

**Helpful Hand Nonprofit
Variance Report
From 1/1/2017 through 8/31/2017**

	Current Period (August)			Year to Date (Jan-Aug)			Annual	YTD Variance as %	
	Budget	Actual	Variance budget - actual	Budget	Actual	Variance budget - actual	Budget	of Line	Of Total
INCOME									
Corporate Contributions	-	-	-	95,000	97,400	(2,400)	135,000	-3%	0%
Foundation Contributions	24,583	14,583	10,000	324,667	203,000	121,667	458,500	37%	23%
Government Contracts	6,800	7,038	(238)	94,375	94,613	(238)	152,175	0%	0%
Individual Contributions	-	150	(150)	2,000	1,240	760	4,500	38%	0%
Board Member Contributions	-	-	-	750	750	-	1,000	0%	0%
Program Fees	215	645	(430)	1,920	3,840	(1,920)	2,925	-100%	0%
Interest - Investment Income	-	-	-	-	59	(59)	-		
Miscellaneous Income	-	-	-	413	344	69	1,313		
TOTAL INCOME	31,598	22,416	9,182	519,125	401,246	117,878	755,413		23%
EXPENSES									
Salaries	35,750	35,750	-	286,000	267,410	18,590	447,333	7%	4%
Payroll Taxes & Benefits	5,363	6,435	(1,073)	42,900	40,112	2,789	67,100	7%	1%
Payroll Fees	358	358	-	2,860	2,674	186	4,473	6%	0%
Audit and Accounting	1,500	1,500	-	18,500	20,905	(2,405)	24,500	-13%	-1%
Contract Services	1,120	784	336	44,457	53,926	(9,469)	78,130	-21%	-2%
Dues and Subscriptions	-	-	-	300	360	(60)	1,050	-20%	0%
Equipment Rental	1,338	1,285	54	10,098	9,938	161	15,452	2%	0%
Insurance	465	446	19	3,333	3,274	58	5,193	2%	0%
Interest	1,400	1,400	-	11,200	11,200	-	12,400	0%	0%
Occupancy	3,710	3,605	105	28,630	28,315	315	43,470	1%	0%
Supplies	55	-	55	1,705	3,069	(1,364)	3,865	-80%	0%
Postage and Delivery	35	-	35	1,760	3,379	(1,619)	2,555	-92%	0%
Printing and Publications	-	-	-	465	326	140	915	30%	0%
Repairs and Maintenance	-	-	-	2,500	2,375	125	2,500	5%	0%
Taxes & Licenses	-	-	-	750	975	(225)	750	-30%	0%
Telephone	137	137	-	1,072	1,043	29	1,620	3%	0%
Travel and Conferences	55	275	(220)	2,635	2,187	448	4,085	17%	0%
Total Expenses	51,285	51,974	(689)	459,165	451,468	7,697	715,391	2%	2%
NET INCOME	(19,687)	(29,558)	9,871	59,960	(50,221)	110,181	40,022		184%