

Planning a Nonprofit Budget

Instructions:

1. Carefully review the nonprofit/civil society organization's description, including paying close attention to budget explanations.
2. Use figures from budget explanations to complete the budget worksheets (revenues and expenses worksheets)
3. Complete revenue worksheet first for the organization. Include revenue from all sources.
4. Then, complete expenses worksheet based on nonprofit description.
5. Compare revenue and expenses. If they are not the same, go back and recalculate until they are equal.

Choosing your nonprofit

Choose from one of the nonprofits listed here.

Animal Rights Organization

Mission	Our mission is to provide a natural sanctuary for rescued wild animals. We also educate the public regarding animal rights.
Programs	We operate a wildlife sanctuary that serves as a permanent home for rescued animals. The sanctuary is open to the public. We also provide educational programs for groups that visit the sanctuary.
Budget	\$175,000
Salaries	Our executive director earns a salary of \$36,000 per year. We also employ a part-time marketing coordinator who earns \$15,000 per year. Our three animal care providers also work part-time. Their combined wages total \$31,250 per year. The executive director receives fringe benefits totaling \$1,750 per year. No benefits are provided to the remaining staff members.



Administrative Costs	Our sanctuary is located on land that was donated by the sanctuary founders. We therefore have no rental costs. We spend \$500 per month on utilities for our education lodge and gift shop. These utility costs include gas, electric, telephone, and Internet access. We spend \$200 per month on office supplies. Postage and copying run approximately \$50 per month. We currently have no staff travel expenses.
Program Expenses	Maintenance costs average \$500 per month. We also spend \$12,000 per year on upgrading the shelter habitat. The remainder of our budget is spent on animal care, food, and veterinary expenses. It costs approximately \$3,200 per year to house each animal at the sanctuary. Currently, there are 20 animals in the sanctuary.
Revenue	Annual revenue is \$175,000. Thirty percent of that comes from annual membership and adoption programs. We earn 11 percent of revenue from our major donors, through the generous support of corporate sponsorships. In addition, we receive 16 percent of revenue from grants awarded by various foundations. We do not receive any government funding from city, state or federal programs. We are able to earn income through admissions and program fees, which total 21 percent of revenue. The gift shop produces a profit that earns income totaling 22 percent.

Anti-crime Organization

Mission	Our mission is to reduce youth violence in our community.
Programs	We provide counseling and rehabilitation programs for youth offenders. All participants are assigned a case worker. Case workers meet with participants each week to provide counseling. Participants also attend crime prevention programs at our youth center.
Budget	\$780,000



Salaries	Our agency manager earns an annual salary of \$60,000. We also employ two assistant managers who earn salaries of \$35,000 each. Employee health and retirement benefits also are provided. These benefits cost approximately \$26,000 per year.
Administrative Costs	Our rent and utilities total \$16,000 per year. Internet and telephone costs run \$1,780 per year. Equipment and supplies cost another \$2,600. Postage and copying expenses total \$3,900 annually. Staff travel costs are \$5,200.
Program Expenses	Our primary program expense is case worker salaries. These salaries cost \$325,000 annually. We provide case workers with an additional \$70,000 in fringe benefits. After case worker salaries, our next largest expense is rental of our youth center facility. Facility rent and utilities cost \$150,000 each year. We also spend \$12,000 on insurance and \$9,000 on program printing costs. An additional \$28,520 is devoted to legal services and direct financial assistance for clients.
Revenue	We receive approximately 45 percent of our income through foundation grants. Another 30 percent is provided through federal, state, and local government funding. We earn approximately 8 percent of our revenues each year through admission fees to special fundraising events. Our remaining income is provided through in-kind support (12 percent) and individual donations (5 percent).

Human Rights Organization

Mission	Our mission is to protect human rights in countries throughout the world. We focus on promoting justice and legal reform.
Programs	Our organization runs three main programs. First, we develop publicity to raise awareness about human rights violations. Second, we organize campaigns to help free individuals who have been unfairly imprisoned. Third, we conduct research and publish research papers on human rights.



Budget	\$1,200,000
Salaries	Our staff consists of two co-directors, a marketing director, and three support personnel. Their salaries total \$297,000 per year. Fringe benefits are provided to all personnel. These benefits run 22 percent of salary costs.
Administrative Costs	We operate two offices, one in Asia and one in Washington D.C. Rent for our Asia office costs \$36,000 per year. Utilities run \$6,570 per year. Rent for our Washington office costs \$24,430 annually. Utilities run \$3,000 per year. Internet and telephone costs for both offices total \$6,500 annually. Equipment and supplies run \$13,000. Postage and copying cost \$8,160. Staff travel costs \$20,000 per year.
Program Expenses	Expenses for our publicity program represent approximately 20 percent of our annual budget. Our freedom campaigns cost 30 percent of our budget. The remaining 10 percent of our budget is devoted to our research program.
Revenue	The largest percentage of our funding (35 percent) comes from major donors. We also receive 10 percent of our revenues through government funding. Grants account for 27 percent, and individual donations make up 13 percent. About 6 percent is earned through special events and publication sales. The remaining 9 percent comes through in-kind support.

Environmental Protection Organization

Mission	Our mission is to educate youth about environmental issues. We focus on increasing youth efforts to protect the environment.
Programs	We operate educational programs in schools on the subject of how to protect the environment. These programs teach students how to preserve natural resources.



Budget	\$500,000
Salaries	We have one executive director on staff who earns \$40,000 per year. The executive director has an administrative assistant who earns \$25,000. Both staff members receive fringe benefits that cost 20 percent of their salaries.
Administrative Costs	Our rent and utilities cost \$1,000 per month. They are covered through an in-kind donation from our parent organization. We currently spend 1 percent of our total budget on Internet and telephone costs, including Web site maintenance. We also spend 1 percent on equipment, supplies, postage, copying, and staff travel.
Program Expenses	Most of our budget (80 percent) is allocated to program costs. It costs \$20,000 to bring our program to one school for an entire year.
Revenue	Individual donations provide 75 percent of our revenue. The rest of our revenue comes through grants (20 percent) and in-kind support (five percent). We currently have no programs that earn income. We also receive no government funding at this time. Our board of directors continues to request support from major donors, such as corporate sponsors. No corporate sponsorships have yet been received.

Budget worksheets

Use the worksheets below to list revenue and expenses for your chosen organization. Base your amounts on the figures given in the nonprofit descriptions. You may have to calculate some answers.

Revenue:

Source	Description	Amount
--------	-------------	--------



Individual donors		\$
Major donors		\$
Grants		\$
Government funding		\$
Earned income		\$
In-kind support		\$
Total revenues		\$

Expenses:

Category	Item	Amount
Salaries	Wages and salaries	\$
	Fringe benefits	\$
Administrative costs	Rent & utilities	\$



	Internet & telephone	\$
	Equipment & supplies	\$
	Postage & copying	\$
	Travel	\$
Program costs		\$
Total expenses		\$

