Reaching the WHOLE CHILD

COMPASS CONVENING SERIES

DYCD | NYC

The Department of Youth & Community Development

Reaching the WHOLE CHILD
COMPASS CONVENING SERIES

OUR MISSION

Reaching the Whole Child

Every young person in a COMPASS program deserves to feel safe, supported, and able to grow.
This convening is for the leaders responsible for building organizations that make that possible.

DYCD | NYC
The Department of Youth & Community Development

Reaching the WHOLE CHILD
COMPASS CONVENING SERIES

OUR GOALS

Reaching the Whole Child

- Build genuine understanding of the three priority areas in the new COMPASS RFP
- Create space for EDs and PDs to **assess where their organizations stand** across all three areas: what they know, what they have in place, and what they need to build
- Solicit **candid feedback from the field** that will directly inform how TA providers design ongoing capacity-building support
- Understand and catalog the **distinct needs** of new providers launching COMPASS for the first time, organizations scaling to additional sites, and established providers navigating new requirements
- **Open the door to the peer learning and TA relationships** that will carry leaders through implementation

SUCCESS INDICATORS

Reaching the Whole Child

By the end of the week, we hope to support you by...

- ❑ Improving your understanding across the key areas
- ❑ Improving your understanding of the requirements for your specific organization
- ❑ Providing clarification on at least one concrete next step for your organization
- ❑ Helping you feel less alone in the work by hearing from peers and TA Providers
- ❑ Introducing our plan for ongoing capacity building support being designed for the year
- ❑ Hearing your feedback to best support you beyond this week's convening

Reaching the WHOLE CHILD
COMPASS CONVENING SERIES

Community Norms

- Be present and engaged
- Use the chat and tools intentionally, and remain on mute if not speaking
- Step up, step back
- Assume positive intent
- Respect confidentiality – what is said here, stays here, what is learned here, leaves here
- Honor time together

Before continuing, please rename yourself to include your organization

Reaching the
WHOLE CHILD
COMPASS CONVENING SERIES

DYCD | NYC
The Department of Youth & Community Development

Annual Budgeting & True Cost

JUNE 24, 2026 | 9:15AM | REBECCA KELLOGG & SAMANTHA SCHAEFER

BDO

Connect with Us

REBECCA KELLOGG

Director

Nonprofit & Grantmaker Advisory

rkellogg@bdo.com

SAMANTHA SCHAEFER

Senior Associate

Nonprofit & Grantmaker Advisory

sschaefer@bdo.com

BDO NONPROFIT & GRANTMAKER ADVISORY

We provide experienced **financial management services** and skilled **capacity-building** technical assistance, including **organizational consultation** and **training**, using an approach tailored to individual organizations and their specific needs.

For Nonprofits

- Cohort programming to build financial resiliency of nonprofit leadership teams
- Coaching
- Developing fiscal staffing, systems, and processes
- Supporting business model development
- Trainings on annual planning and budgeting, and improving internal controls
- Outsourced Financial Management

For Funders

- Trainings for Program Officers, Grants Managers, and Board Members
- Financial Due Diligence and Grantee Portfolio Analysis
- Landscape analysis & Custom Advisory Projects
- (c)(4) Infrastructure and Grantmaking Practices
- Infrastructure Advisory (Systems and Processes)
- Outsourced Financial Management

Today's Session

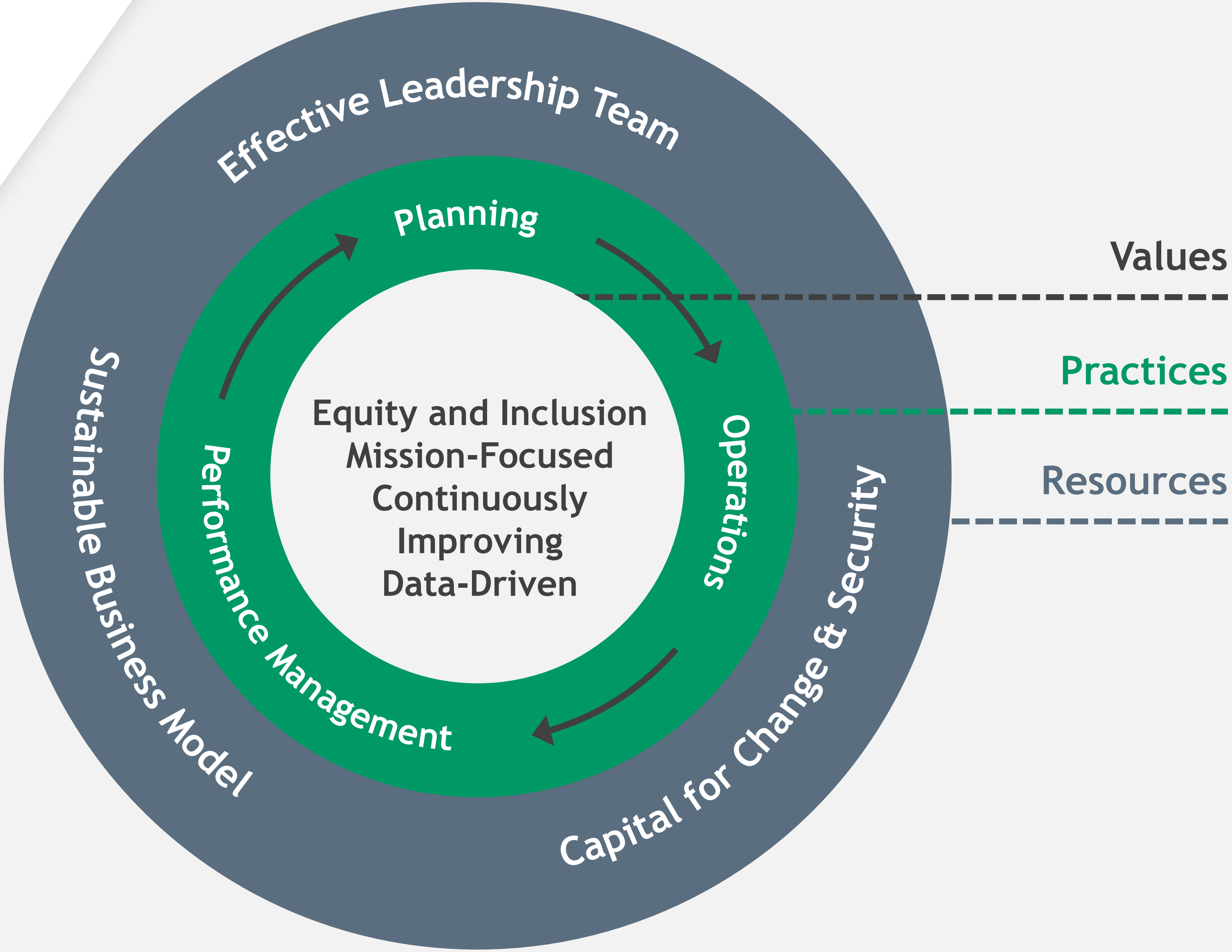
ANNUAL BUDGETING & TRUE COST

- Welcome
- Introduction to Financial Planning
- The Budget Process
- Group Activity
- True Cost: Budgeting Expenses
- Cost Allocation
- Revenue Planning
- Wrap-Up

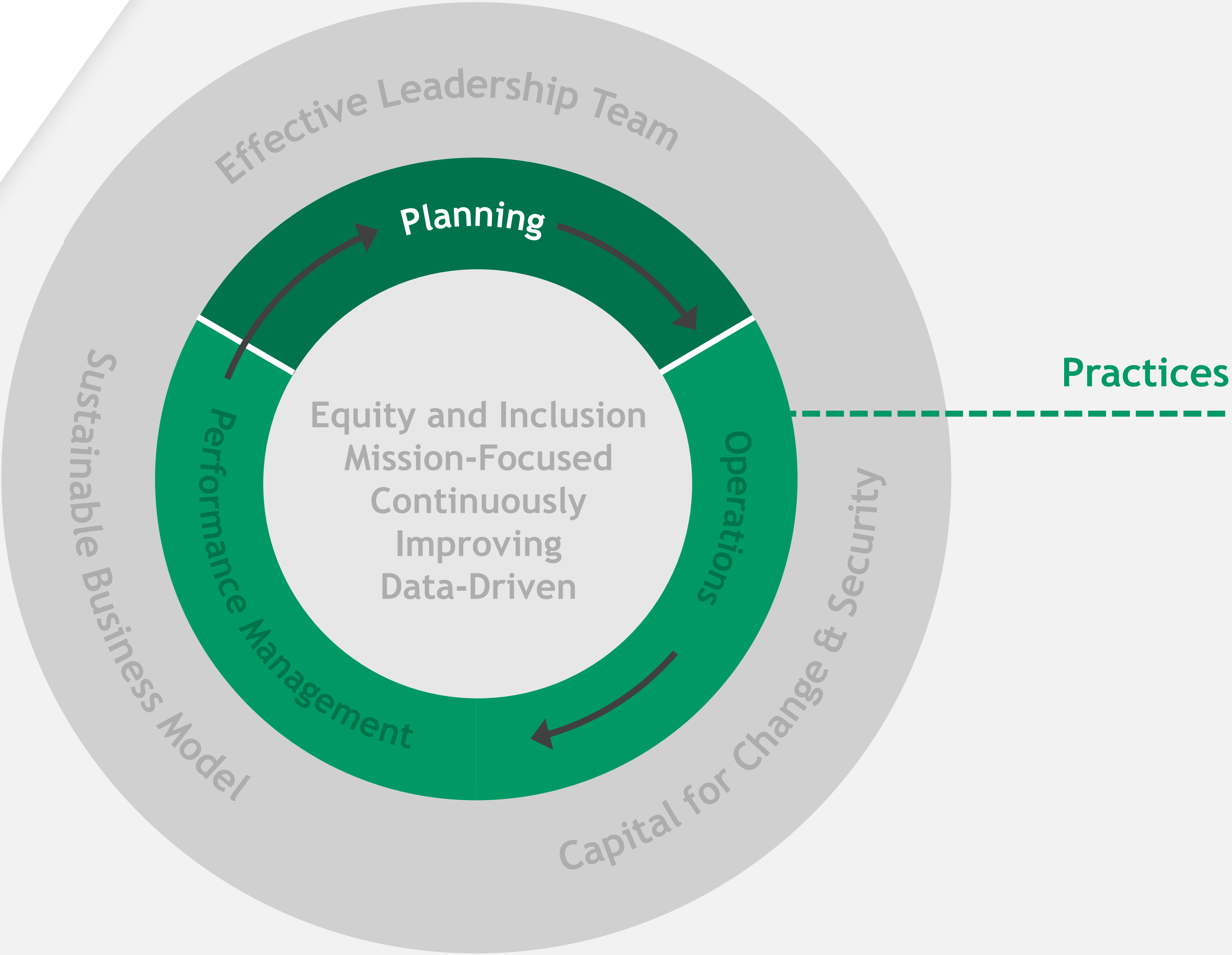
ANSWER IN THE CHAT

Are you a planner?

Financial Resilience



Financial Resilience



Financial Planning

Finance + Equity

A process to define how an organization's strategy will be funded.

Process:

- Inclusive and team-based
- Continuous and iterative
- Allows for recalibration and course correction
- Focused on the future but responsive to the present

Guiding principles include:

- Building organizational resilience
- Supporting diversity, equity & inclusion

Finance + Equity

Financial Planning

An **OUTCOME** of the financial planning process

An **ACTION PLAN** stated in Dollar Terms

An **EXPRESSION** of an Organization’s Values

Types of Budgets

- Strategic Budget
- Capital Budget
- Operating Budget
- Cash Budget
- Program Budget
- Grant Budget

Budget Development: A Five Step Process

Assemble a Budgeting Team

Create a Budget Calendar

Prepare for Budget Process

Build the Budget

Monitor the Budget

Budget Development: A Five Step Process

- Assemble a Budgeting Team
- Create a Budget Calendar
- Prepare for Budget Process
- Build the Budget
- Monitor the Budget

Why Team-Based Budgeting?

Includes **program decision-makers** in the resources conversation

Increases **communication** throughout the agency

Ensures Finance has the most up-to-date **understanding of programs**

Promotes **collective ownership** over financial results

Budget Development: A Five Step Process

Assemble a Budgeting Team

Create a Budget Calendar

Prepare for Budget Process

Build the Budget

Monitor the Budget

Budget Development: A Five Step Process

Assemble a Budgeting Team	Create a Budget Calendar	**Prepare for Budget Process**	Build the Budget	Monitor the Budget

- Set Financial Goals
- Forecast Current Year Results
- Gather Data and Build Budget Template
- Conduct Team Kickoff Meeting

Budget Development: A Five Step Process

Assemble a Budgeting Team

Create a Budget Calendar

Prepare for Budget Process

Build the Budget

Monitor the Budget

- Budget Expenses
- Budget Revenue
- Plan Alternate Scenarios
- Forecast Cash Flow
- Secure Board Approval

Budgeting: Overlooked Items

- Team-based financial goal setting
- Assessing if budget reflects values
- Budgeting for capital expenses/depreciation
- Negotiation process
- Contingency Planning
- Debriefing process, planning improvements
- Entering budget in accounting system for BvA

Breakout Activity

- With your group review the case study in your participant manual and respond to the prompts provided
- Discuss the questions listed below
  - Does this budget give you a clear picture of the full costs of running each of the organization's programs?
  - What challenges might this organization be facing in its attempts to cover its administrative costs?
  - What more do you wish you knew about this organization's operations?
- We will ask for participants to give a recap

Budget for Fiscal Year 2019

Funding Source	State Contract TRJ	State Contract - MWT	City - DSS	State Contract for BRJ	City - Dept of Youth	City - Board of Education	DFSS Contract	Grant from Community Foundation	Project Reach	Grant from Foundation ABC	Administrative Costs	Total Projected Revenue & Expenses
Revenue	**$ 240,000**	**$ 100,000**	**$ 95,000**	**$ 227,000**	**$ 350,000**	**$ 70,000**	**$ 75,000**	**$ 40,000**	**$ 45,000**	**$ 60,000**	**$ 5,441**	**$ 1,307,441**
Salaries	144,999	32,288	70,000	142,518	252,000	50,000	46,528	40,000	7,551	53,879	167,657	**1,007,420**
Fringe Benefits	43,281	13,975	19,286	52,960	73,996	18,304	15,090	-	1,319	6,121	118,162	**362,494**
Contracted Services	-	50,000	-	-	-	-	-	-	-	-	-	**50,000**
Family Support Funds	-	-	-	-	-	-	1,850	-	-	-	-	**1,850**
Rent	18,557	830	1,000	8,000	-	-	-	-	-	-	112,541	**140,928**
Stipends	-	-	-	-	-	-	-	-	24,000	-	-	**24,000**
Client Support / Client Transportation	1,025	-	-	5,000	2,000	-	-	-	3,500	-	-	**11,525**
Training / Development	4,000	-	-	-	-	-	-	-	-	-	-	**4,000**
Technicial Assistance / Workshops	-	385	-	-	-	-	-	-	-	-	-	**385**
Equipment Maintenance / Lease	4,000	700	-	2,400	-	-	1,000	-	-	-	-	**8,100**
Equipment Purchase	-	-	-	-	-	-	-	-	-	-	-	**-**
Telephone / Cellphones	7,000	539	-	4,320	5,400	796	2,820	-	-	-	11,525	**32,400**
Supplies / Materials	4,355	568	3,000	3,894	4,604	600	1,316	-	6,465	-	-	**24,802**
Travel / Lodging / Transportation	3,000	715	714	1,800	2,000	300	1,113	-	1,435	-	-	**11,077**
Cultural Field Trips / Youth Acitivities	-	-	-	-	10,000	-	-	-	-	-	-	**10,000**
Marketing / Public Relations	-	-	-	-	-	-	-	-	-	-	-	**-**
Audit	3,000	-	1,000	2,550	-	-	-	-	-	-	6,450	**13,000**
Insurance	6,783	-	-	3,558	-	-	572	-	-	-	19,087	**30,000**
SUBTOAL	**$ 240,000**	**$ 100,000**	**$ 95,000**	**$ 227,000**	**$ 350,000**	**$ 70,000**	**$ 70,289**	**$ 40,000**	**$ 44,270**	**$ 60,000**	**$ 435,422**	**$ 1,731,981**
Loan Interest	-	-	-	-	-	-	-	-	-	-	1,500	**1,500**
Administrative Cost	-	-	-	-	-	-	4,711	-	730	-	-	**5,441**
TOTAL EXPENSES	**$ 240,000**	**$ 100,000**	**$ 95,000**	**$ 227,000**	**$ 350,000**	**$ 70,000**	**$ 75,000**	**$ 40,000**	**$ 45,000**	**$ 60,000**	**$ 436,922**	**$ 1,738,922**
Variance	0	0	0	0	0	0	0	0	0	0	(431,481)	**(431,481)**

Budget for Fiscal Year 2019

	Total	Programs						Supporting Services	
		Counseling	Family Services	Workforce	Empowering Community	Street Outreach	Strengthen Schools	M&G	Fundraising
REVENUE									
Government	**$ 1,157,000**	$ 102,000	$ 215,000	$ 100,000	$ 70,000	$ 400,000	$ 270,000	$ -	$ -
Foundations & Individual Giving	**$ 135,441**	$ 16,000	$ 29,000	$ -	$ 25,000	$ 25,000	$ 16,000	$ 24,441	$ -
Other	**$ 15,000**	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,000	$ -
Total Revenue by Program/Function	**$ 1,307,441**	**$ 118,000**	**$ 244,000**	**$ 100,000**	**$ 95,000**	**$ 425,000**	**$ 286,000**	**$ 39,441**	**$ -**
EXPENSE									
Personnel:									
Salaries	**$ 1,007,420**	$ 100,450	$ 120,773	$ 44,739	$ 74,224	$ 340,379	$ 187,320	$ 113,690	$ 25,844
Fringe	**$ 362,494**	$ 38,726	$ 53,203	$ 21,223	$ 25,660	$ 117,470	$ 71,479	$ 26,365	$ 8,367
Total Personnel	**$ 1,369,914**	**$ 139,176**	**$ 173,976**	**$ 65,962**	**$ 99,884**	**$ 457,849**	**$ 258,800**	**$ 140,055**	**$ 34,211**
Other Than Personal Service (OTPS):									
Direct Expenses									
Contracted Services	**$ 50,000**	$ -	$ -	$ 50,000	$ -	$ -	$ -	$ -	$ -
Family Support Funds	**$ 1,850**	$ -	$ -	$ -	$ -	$ -	$ 1,850	$ -	$ -
Stipends	**$ 24,000**	$ -	$ -	$ -	$ -	$ 24,000	$ -	$ -	$ -
Client Support / Client Transportation	**$ 11,525**	$ 2,400	$ 3,200	$ 1,925	$ -	$ 4,000	$ -	$ -	$ -
Technical Assistance / Workshops	**$ 385**	$ -	$ -	$ 385	$ -	$ -	$ -		$ -
Cultural Field Trips / Youth Activities	**$ 10,000**	$ -	$ -	$ -	$ -	$ 10,000	$ -	$ -	$ -
Marketing/Public Relations	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit	**$ 13,000**	$ -	$ -	$ -	$ -	$ -	$ -	$ 13,000	$ -
Other Expenses	**$ 5,441**	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,441	$ -
Total Direct OTPS	**$ 116,201**	**$ 2,400**	**$ 3,200**	**$ 52,310**	**$ -**	**$ 38,000**	**$ 1,850**	**$ 18,441**	**$ -**
Shared Expenses (Allocated by FTE)									
Training/Development	**$ 4,000**	$ 399	$ 479	$ 178	$ 295	$ 1,351	$ 744	$ 451	$ 103
Equipment Maintenance/Lease	**$ 8,100**	$ 808	$ 971	$ 360	$ 597	$ 2,737	$ 1,506	$ 914	$ 208
Telephone/Cellphones	**$ 32,400**	$ 3,231	$ 3,884	$ 1,439	$ 2,387	$ 10,947	$ 6,025	$ 3,656	$ 831
Supplies/Materials	**$ 24,802**	$ 2,473	$ 2,973	$ 1,101	$ 1,827	$ 8,380	$ 4,612	$ 2,799	$ 636
Travel/Lodging/Transportation	**$ 11,077**	$ 1,104	$ 1,328	$ 492	$ 816	$ 3,743	$ 2,060	$ 1,250	$ 284
Insurance	**$ 30,000**	$ 2,991	$ 3,597	$ 1,332	$ 2,210	$ 10,136	$ 5,578	$ 3,386	$ 770
Loan Interest	**$ 1,500**	$ 150	$ 180	$ 67	$ 111	$ 507	$ 279	$ 169	$ 38
Shared Expenses (Allocated by Sq Ft)									
Rent	**$ 140,928**	$ 19,409	$ 33,390	$ 12,017	$ 13,846	$ 8,776	$ 38,753	$ 12,661	$ 2,076
Total Shared OTPS	**$ 252,807**	**$ 30,564**	**$ 46,802**	**$ 16,985**	**$ 22,089**	**$ 46,577**	**$ 59,556**	**$ 25,287**	**$ 4,946**
Total Expenses by Program/Function	**$ 1,738,922**	**$ 172,140**	**$ 223,979**	**$ 135,257**	**$ 121,973**	**$ 542,426**	**$ 320,206**	**$ 183,783**	**$ 39,158**
Revenues Less Expenses	**$ (431,481)**	**$ (54,140)**	**$ 20,021**	**$ (35,257)**	**$ (26,973)**	**$ (117,426)**	**$ (34,206)**	**$ (144,342)**	**$ (39,158)**

Thoughts and Questions

IN THE CHAT

What do you think is included in the "true cost" of your programs?

BDO

Break

BUDGETING CONCEPTS

Expense Categories

NATURAL EXPENSES

Expenses classified by the **nature** of the expense such as salaries, rent, utilities, supplies, etc.

FUNCTIONAL EXPENSES

Expenses classified by **the type of activity** for which the expense was incurred: programmatic, management and general, or fundraising.

Sample Operating Budget

NATURAL EXPENSES

FUNCTIONAL EXPENSES

	Program A	Program B	M&G	Fundraising	Total
Personnel					
Executive Director	25,900	16,280	18,500	13,320	**74,000**
Program Director	34,000	34,000	-	-	**68,000**
Teacher A	55,000	-	-	-	**55,000**
Teacher B	-	50,000	-	-	**50,000**
Bookkeeper	-	-	25,000	-	**25,000**
Grantwriter	-	-	-	20,000	**20,000**
Fringe	22,980	20,056	8,700	6,664	**58,400**
Non-Personnel					
Classroom supplies	12,200	14,600	-	-	**26,800**
Snacks	2,200	3,000	-	-	**5,200**
Bus rental	2,000	-	-	-	**2,000**
Audit fees	-	-	9,500	-	**9,500**
Conference travel	-	-	800	-	**800**
Event space rental	-	-	-	1,000	**1,000**
Event catering	-	-	-	3,200	**3,200**
Rent	13,011	12,097	3,868	3,024	**32,000**
Utilities	2,440	2,268	725	567	**6,000**
Office supplies	1,952	1,815	580	454	**4,800**
Depreciation	6,262	5,822	1,862	1,455	**15,400**
Total	**177,944**	**159,937**	**69,535**	**49,684**	**457,100**

Expense Categories

SPECIFIC EXPENSES

Expenses that can be specifically **assigned** to one or more program(s) or function(s), based on time or money spent directly on each program or function.

- Salaries for program personnel
- Salaries for fiscal staff
- Fundraising expenses

SHARED EXPENSES

Expenses that are shared among some or all programs and functions. These expenses must be **allocated** among functional areas on the basis of an appropriate methodology.

- Rent and utilities in a common space
- Office supplies
- Depreciation

Sample Operating Budget

SPECIFIC EXPENSES

SHARED EXPENSES

	Program A	Program B	M&G	Fundraising	Total
Personnel					
Executive Director	25,900	16,280	18,500	13,320	**74,000**
Program Director	34,000	34,000	-	-	**68,000**
Teacher A	55,000	-	-	-	**55,000**
Teacher B	-	50,000	-	-	**50,000**
Bookkeeper	-	-	25,000	-	**25,000**
Grantwriter	-	-	-	20,000	**20,000**
Fringe	22,980	20,056	8,700	6,664	**58,400**
Non-Personnel					
Classroom supplies	12,200	14,600	-	-	**26,800**
Snacks	2,200	3,000	-	-	**5,200**
Bus rental	2,000	-	-	-	**2,000**
Audit fees	-	-	9,500	-	**9,500**
Conference travel	-	-	800	-	**800**
Event space rental	-	-	-	1,000	**1,000**
Event catering	-	-	-	3,200	**3,200**
Rent	13,011	12,097	3,868	3,024	**32,000**
Utilities	2,440	2,268	725	567	**6,000**
Office supplies	1,952	1,815	580	454	**4,800**
Depreciation	6,262	5,822	1,862	1,455	**15,400**
Total	**177,944**	**159,937**	**69,535**	**49,684**	**457,100**

Expense Categories

01	02	03
Specific Program Expenses	Shared Expenses	Specific Management and General and Fundraising Expenses

Sample Operating Budget

Type 3: SPECIFIC M&G/FUNDRAISING EXPENSES

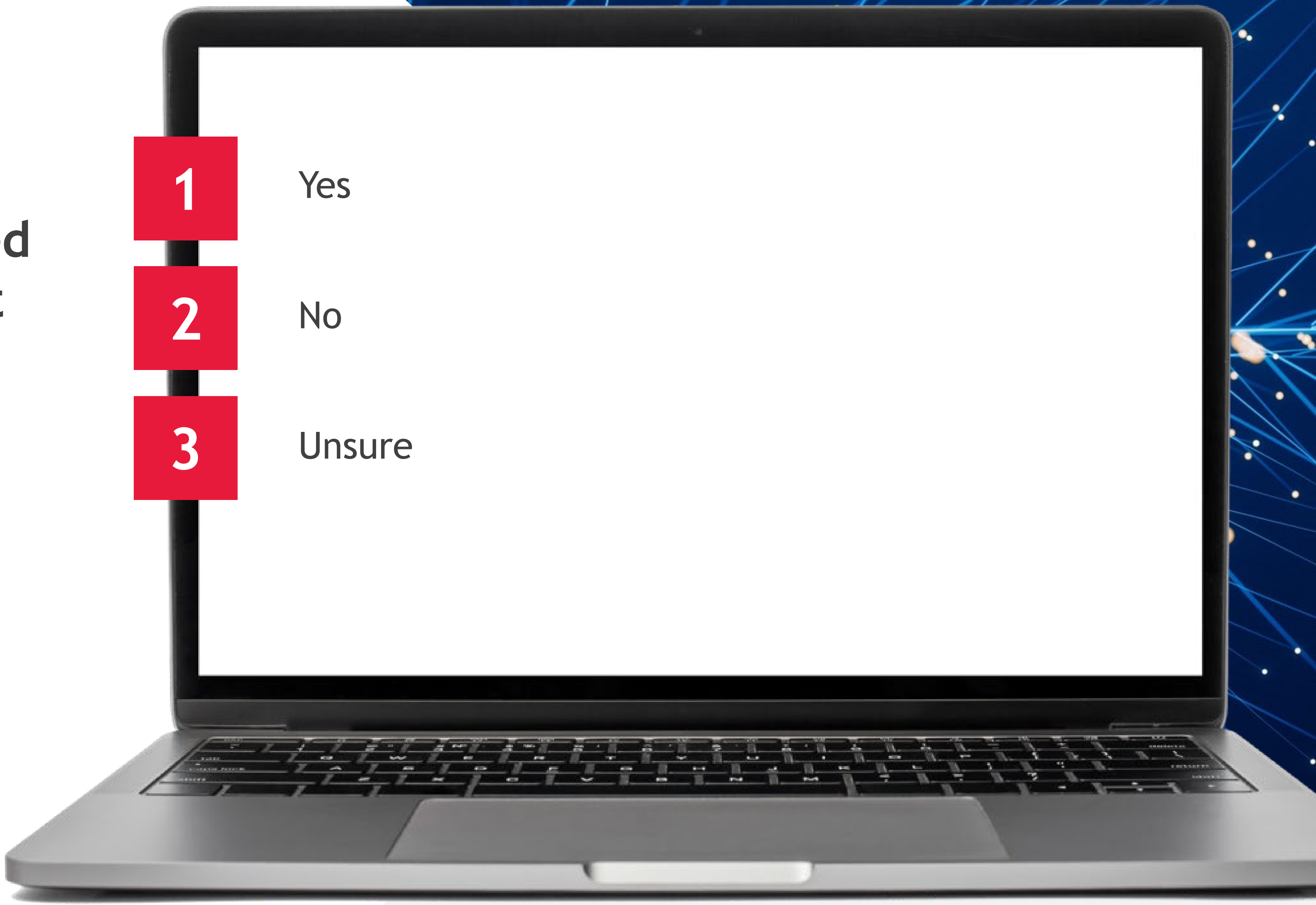
Type 1: SPECIFIC PROGRAM EXPENSES

Type 2: SHARED EXPENSES

	Program A	Program B	M&G	Fundraising	Total
Personnel					
Executive Director	25,900	16,280	18,500	13,320	**74,000**
Program Director	34,000	34,000	-	-	**68,000**
Teacher A	55,000	-	-	-	**55,000**
Teacher B	-	50,000	-	-	**50,000**
Bookkeeper	-	-	25,000	-	**25,000**
Grantwriter	-	-	-	20,000	**20,000**
Fringe	22,980	20,056	8,700	6,664	**58,400**
Non-Personnel					
Classroom supplies	12,200	14,600	-	-	**26,800**
Snacks	2,200	3,000	-	-	**5,200**
Bus rental	2,000	-	-	-	**2,000**
Audit fees	-	-	9,500	-	**9,500**
Conference travel	-	-	800	-	**800**
Event space rental	-	-	-	1,000	**1,000**
Event catering	-	-	-	3,200	**3,200**
Rent	13,011	12,097	3,868	3,024	**32,000**
Utilities	2,440	2,268	725	567	**6,000**
Office supplies	1,952	1,815	580	454	**4,800**
Depreciation	6,262	5,822	1,862	1,455	**15,400**
Total	**177,944**	**159,937**	**69,535**	**49,684**	**457,100**

Polling Question

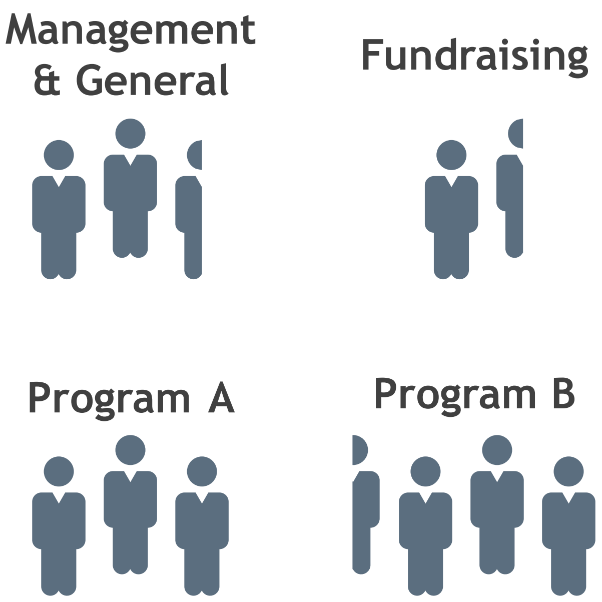
Do you have a documented allocation methodology at your organization?



1. Yes
2. No
3. Unsure

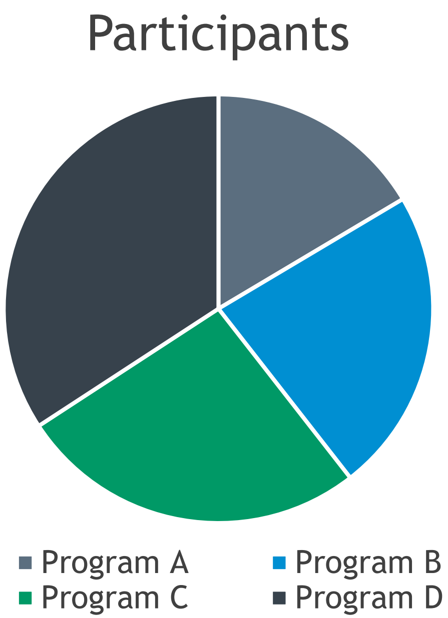
Cost Allocation Methods

BY STAFF (FTE)



BY SPACE USAGE

BY PARTICIPANTS



Translating Expense Categories

How we see our costs:	How funders see our costs:
1 Specific Program Expenses	Direct Expenses
2 Shared Expenses	Direct Expenses; Indirect Expenses
3 Specific Management and General and Fundraising Expenses	Indirect Expenses

Budget Expenses

OVERHEAD EXPENSES

Type 1: SPECIFIC PROGRAM EXPENSES

Type 2: SHARED EXPENSES

	Program A	Program B	M&G	Fundraising	Total
Personnel					
Executive Director	25,900	16,280	18,500	13,320	**74,000**
Program Director	34,000	34,000	-	-	**68,000**
Teacher A	55,000	-	-	-	**55,000**
Teacher B	-	50,000	-	-	**50,000**
Bookkeeper	-	-	25,000	-	**25,000**
Grantwriter	-	-	-	20,000	**20,000**
Fringe	22,980	20,056	8,700	6,664	**58,400**
Non-Personnel					
Classroom supplies	12,200	14,600	-	-	**26,800**
Snacks	2,200	3,000	-	-	**5,200**
Bus rental	2,000	-	-	-	**2,000**
Audit fees	-	-	9,500	-	**9,500**
Conference travel	-	-	800	-	**800**
Event space rental	-	-	-	1,000	**1,000**
Event catering	-	-	-	3,200	**3,200**
Rent	13,011	12,097	3,868	3,024	**32,000**
Utilities	2,440	2,268	725	567	**6,000**
Office supplies	1,952	1,815	580	454	**4,800**
Depreciation	6,262	5,822	1,862	1,455	**15,400**
Total	**177,944**	**159,937**	**69,535**	**49,684**	**457,100**

Costs funded by program grant(s)

Costs funded by indirect rate from program grant(s) or unrestricted revenue

Overhead vs Indirect Cost

OVERHEAD RATE

$$\frac{\text{Management and General} + \text{Fundraising}}{\text{Total Organizational Expense}}$$

INDIRECT COST RATE

$$\frac{\text{Management and General} + \text{Fundraising}}{\text{Total Program Expense}}$$

Revenue Sources

Individual Contributions

Foundations

Corporations

Government

Earned Revenue

Revenue Planning

	Program A	Program B	M&G	Fundraising	Total
REVENUES					
Foundations					
Foundation A	40,000				**40,000**
Foundation B		25,500			**25,500**
Foundation C		35,000			**35,000**
Satisfaction of Restriction (Foundation Y)	23,450				**23,450**
Satisfaction of Restriction (Foundation Z)		14,300			**14,300**
Individual Contributions					
Annual Appeal				30,000	**30,000**
Board Members				18,000	**18,000**
Other				2,000	**2,000**
Government Contracts					
City Dept of Youth		85,000			**85,000**
State Dept of Education	98,300				**98,300**
Other					
Special Events				65,000	**65,000**
Program Fees		4,500			**4,500**
Investment Income			1,400		**1,400**
Total Revenue	**161,750**	**164,300**	**1,400**	**115,000**	**442,450**

Revenue Scenario Planning

PERCENTAGE VS THRESHOLD

Revenue Type	Prospect Amount	%	Budget
Tuition	$100,000	100%	$100,000
Other Earned Revenue	$100,000	85%	$85,000
Individual Giving	$100,000	50%	$50,000
End-of-Year Mailing	$100,000	10%	$10,000
TOTALS	**$400,000**		**$245,000**

Revenue Type	Prospect Amount	Likelihood	Budget
Foundation A	$100,000	Committed	$100,000
Foundation B	$100,000	High	$100,000
Corporation A	$100,000	Medium	
Government Grant	$100,000	Low	
TOTALS	**$400,000**		**$200,000**

Funding True Cost

	Program A	Program B	M&G	Fundraising	Total
REVENUES					
Foundations					
Foundation A	40,000				**40,000**
Foundation B		25,500			**25,500**
Foundation C		35,000			**35,000**
Satisfaction of Restriction (Foundation Y)	23,450				**23,450**
Satisfaction of Restriction (Foundation Z)		14,300			**14,300**
Individual Contributions					
Annual Appeal				30,000	**30,000**
Board Members				18,000	**18,000**
Other				2,000	**2,000**
Government Contracts					
City Dept of Youth		85,000			**85,000**
State Dept of Education	98,300				**98,300**
Other					
Special Events				65,000	**65,000**
Program Fees		4,500			**4,500**
Investment Income			1,400		**1,400**
Total Revenue	**161,750**	**164,300**	**1,400**	**115,000**	**442,450**
EXPENSES					
Total Personnel	137,880	120,336	52,200	39,984	**350,400**
Total OTPS	40,064	39,601	17,335	9,700	**106,700**
Total Expense	**177,944**	**159,937**	**69,535**	**49,684**	**457,100**
Revenues Less Expenses	**(16,194)**	**4,363**	**(68,135)**	**65,316**	**(14,650)**

Surplus/Deficit By Program

Program Expense Budget w/Funding Sources

	Program A Budget	Funder A	Funder B	Funder C	Total Funded	Total Unfunded
Grant/Contract Amount		57,700	60,000	45,000		
Personnel						
Executive Director	25,900				-	25,900
Program Director	34,000	32,500			32,500	1,500
Teacher A	55,000		40,000		40,000	15,000
Fringe	22,980		17,000		17,000	5,980
OTPS						
Classroom supplies	12,200	14,000			14,000	(1,800)
Snacks	2,200	1,200	1,000		2,200	-
Bus rental	2,000		2,000		2,000	-
Rent	13,011	9,000			9,000	4,011
Utilities	2,440	1,000			1,000	1,440
Office supplies	1,952				-	1,952
Depreciation	6,262				-	6,262
Total Line Item Restricted	**177,944**	**57,700**	**60,000**	**-**	**117,700**	**60,244**
Remaining Funding		**-**	**-**	**45,000**	**45,000**	
Total Surplus/Deficit						**(15,244)**

Revenue Scenario Planning

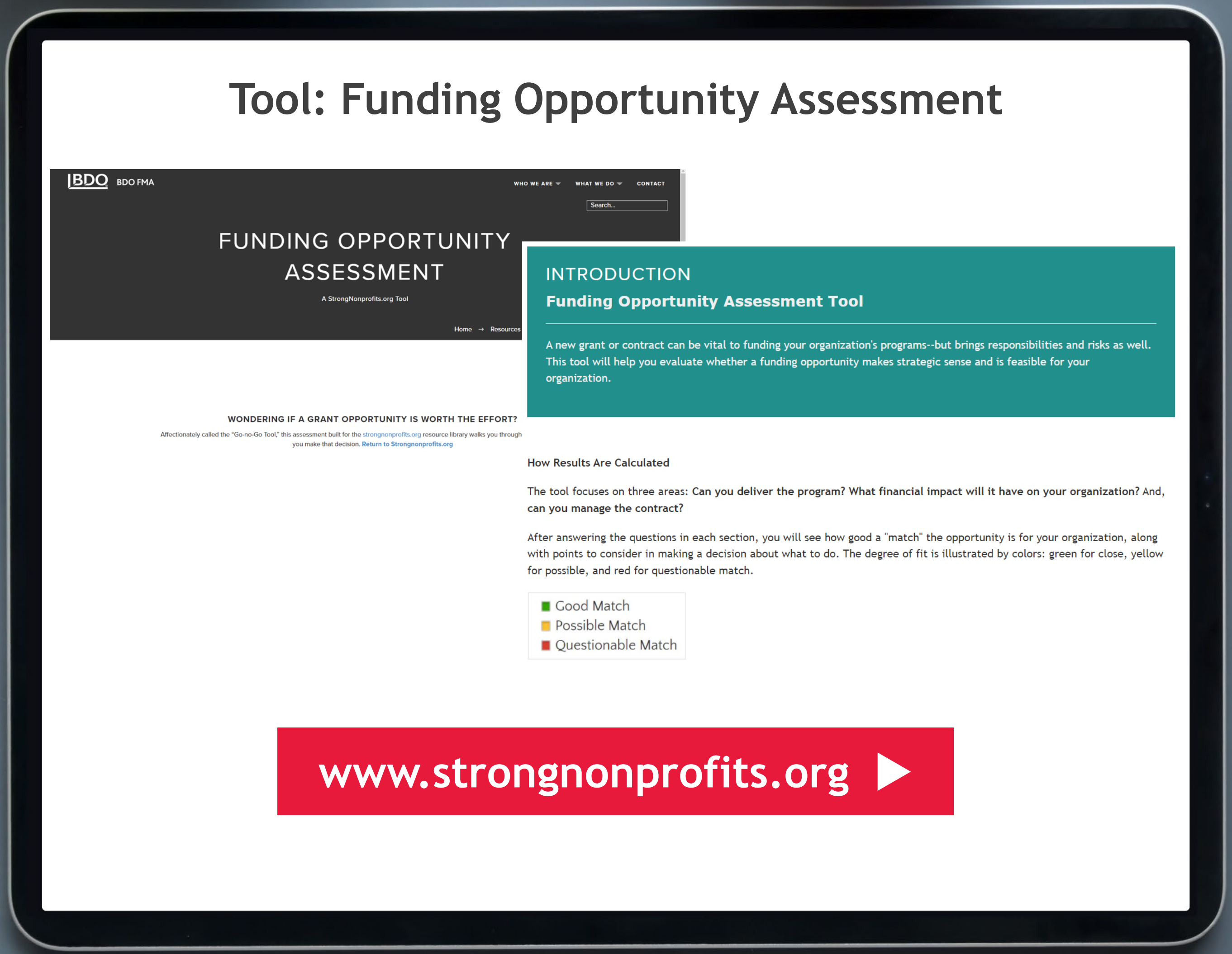
Revenue Analysis Worksheet

	Best	Moderate	Worst
Variable Revenue Assumption:	100%	75%	50%

Program/ Department/ Function	Funding Source		Total Possible Revenues (Current Year Portion *only*)	Likelihood of Receipt (%)	Revenue Scenarios		
					Best Case	Moderate Case	Worst Case
Pre-Kindergarten program	Government Contract A		$ 275,000	100%	275,000	275,000	275,000
	Government Contract B		$ 75,000	75%	75,000	75,000	
	Grant from Foundation A		$ 4,000	50%	4,000		
	VARIABLE:	Earned program revenue	$ 75,000	n/a	75,000	56,250	37,500
	VARIABLE:				-	-	-

			Best Case	Moderate Case	Worst Case
FY Expense Budget for Pre-Kindergarten program	$ 400,000	Revenue Subtotal	$429,000	$406,250	$312,500
		Expense Budget	$400,000	$400,000	$400,000
		Surplus /Deficit	$29,000	$6,250	($87,500)

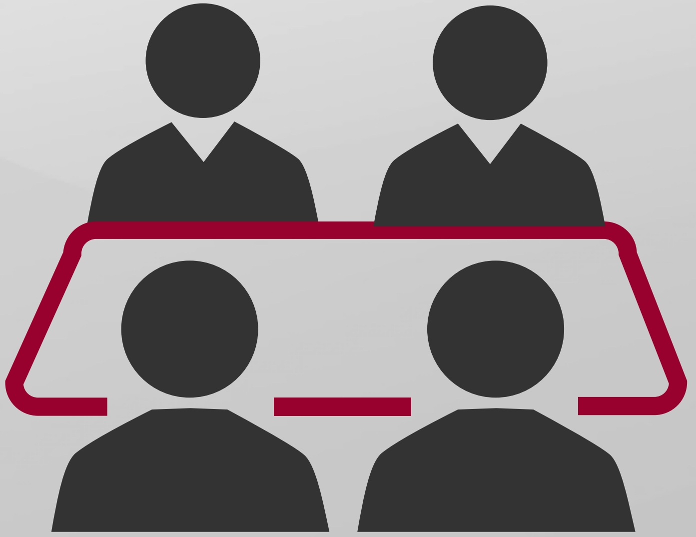
Evaluating Funding Opportunities



Group Discussion

Reflect on what we've discussed today:

- How can a program-based budgeting support decisions about your COMPASS Program?
- What is the biggest challenges to covering your costs?

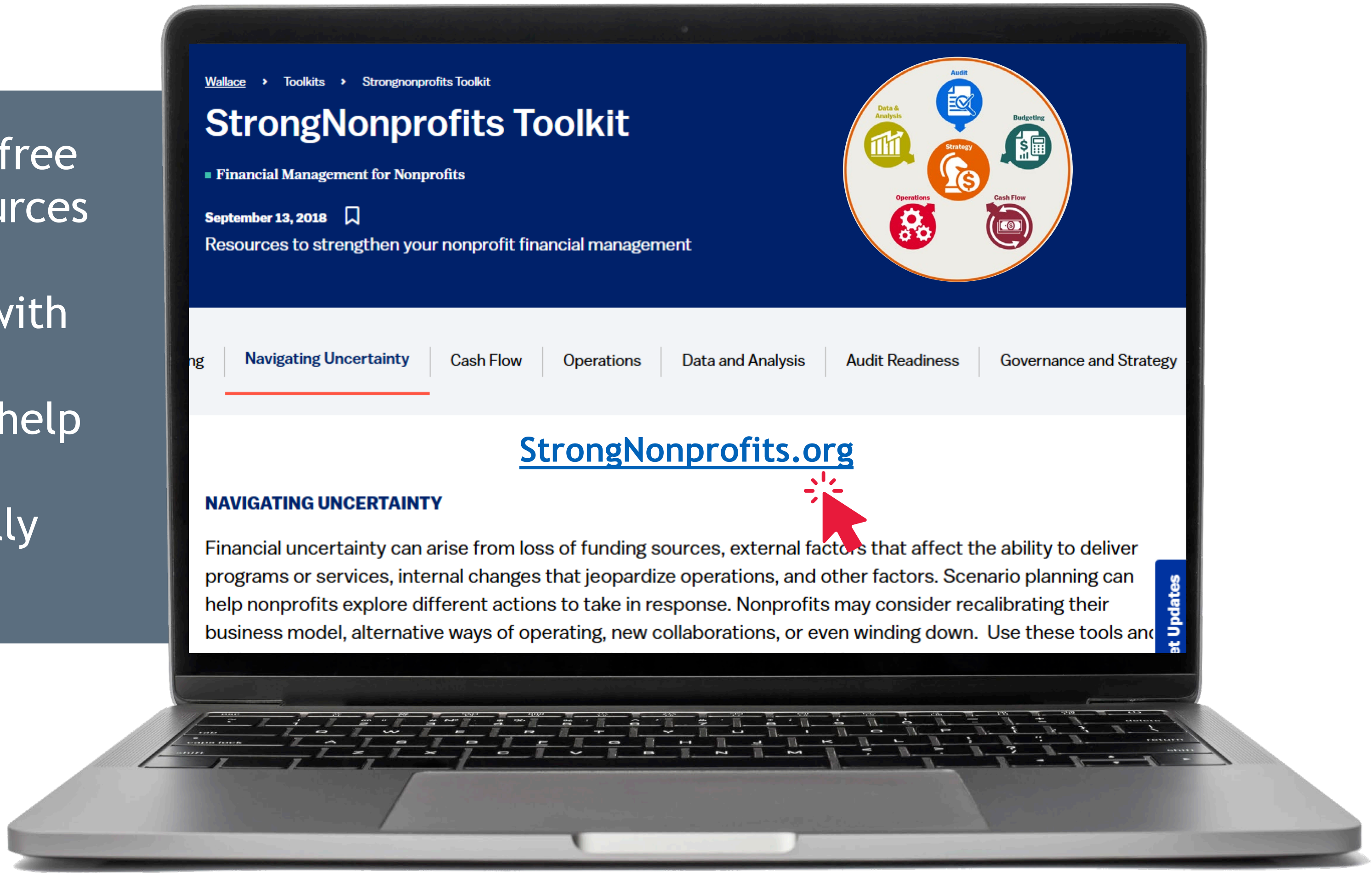


Thoughts and Questions

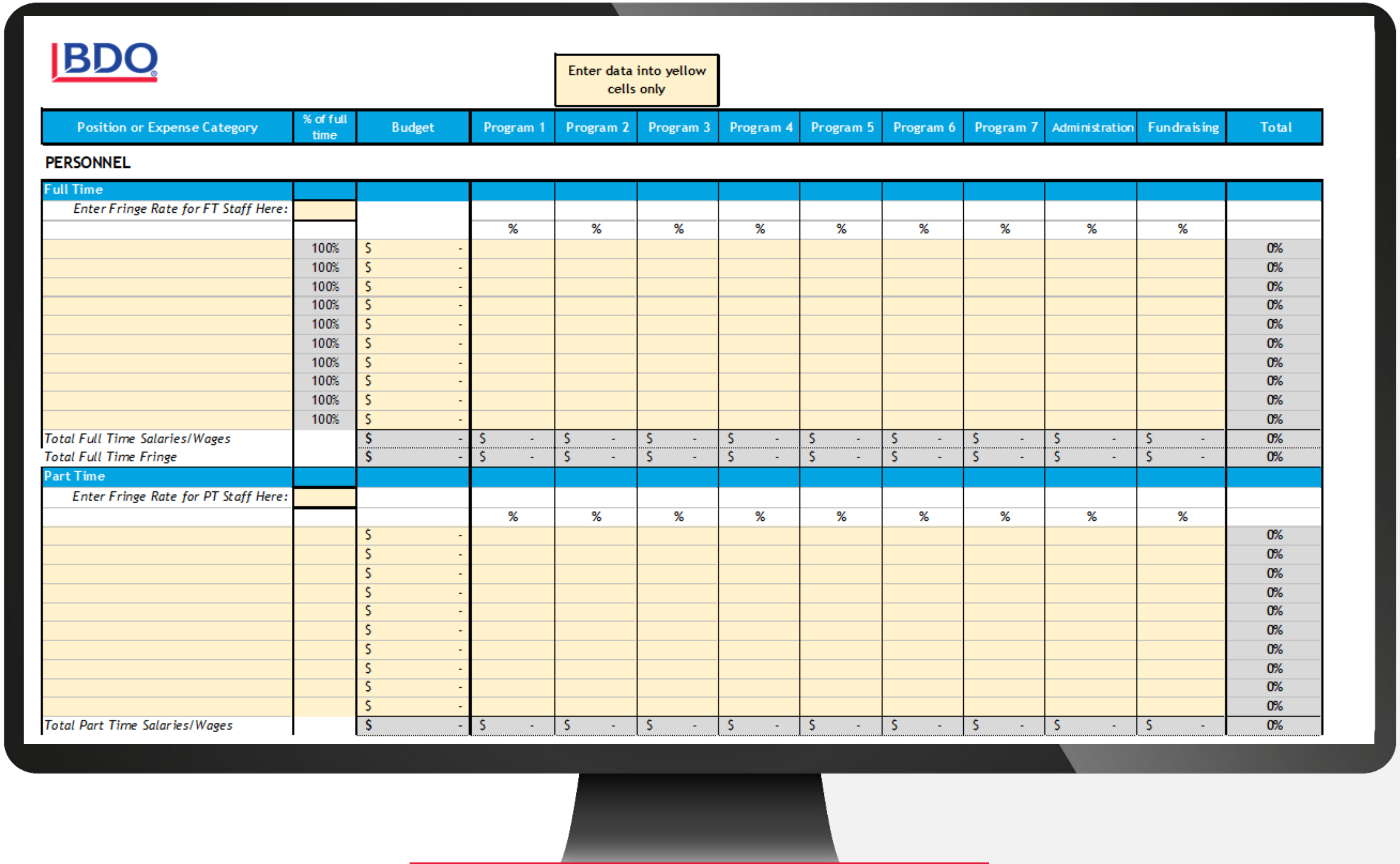
Resources and Wrap Up

Financial Management Resources

This library of free tools and resources was created in collaboration with the Wallace Foundation to help organizations become “fiscally fit.”



Budget Template



Enter data into yellow cells only

PERSONNEL

Position or Expense Category	% of full time	Budget	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6	Program 7	Administration	Fundraising	Total
Full Time												
Enter Fringe Rate for FT Staff Here:												
			%	%	%	%	%	%	%	%	%	
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
	100%	$ -										0%
Total Full Time Salaries/Wages		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0%
Total Full Time Fringe		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0%
Part Time												
Enter Fringe Rate for PT Staff Here:												
			%	%	%	%	%	%	%	%	%	
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
		$ -										0%
Total Part Time Salaries/Wages		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0%

www.strongnonprofits.org ▶

Revenue Scenario Planning

BDO

Revenue Analysis Worksheet

	Best	Moderate	Worst
Variable Revenue Assumption:	100%	75%	50%

Program/ Department/ Function	Funding Source		Total Possible Revenues (Current Year Portion *only*)	Likelihood of Receipt (%)	Revenue Scenarios: Best Case	Moderate Case	Worst Case
Pre-Kindergarten program	Government Contract A		$ 275,000	100%	275,000	275,000	275,000
	Government Contract B		$ 75,000	75%	75,000	75,000	
	Grant from Foundation A		$ 4,000	50%	4,000		
	VARIABLE:	Earned program revenue	$ 75,000	n/a	75,000	56,250	37,500
	VARIABLE:				-	-	-

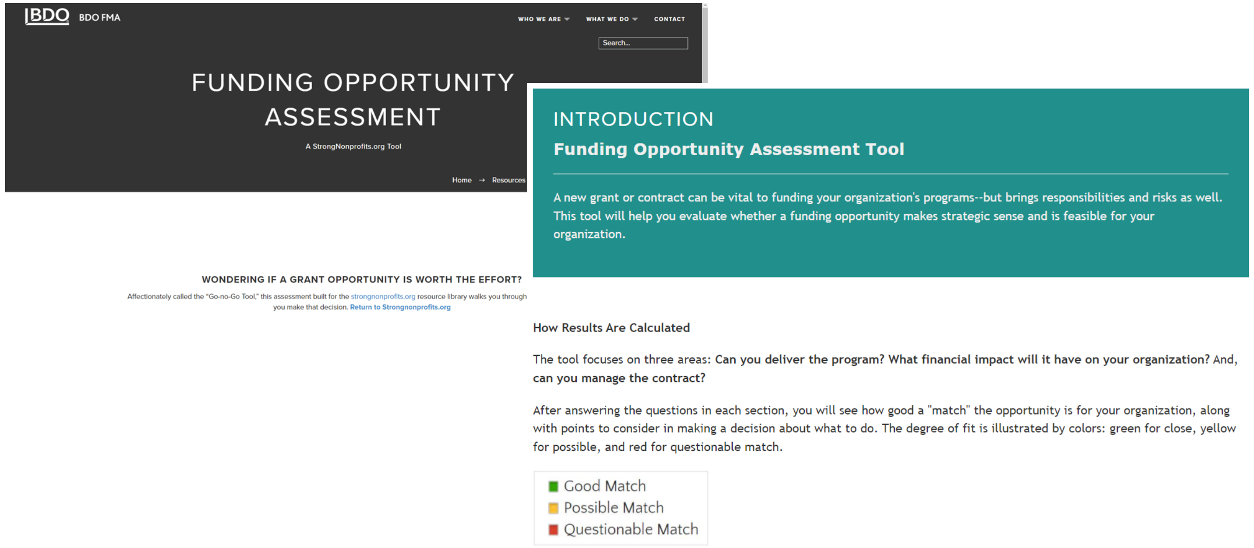
FY Expense Budget for Pre-Kindergarten program	$ 400,000

	Best Case	Moderate Case	Worst Case
Revenue Subtotal	$429,000	$406,250	$312,500
Expense Budget	$400,000	$400,000	$400,000
Surplus /Deficit	$29,000	$6,250	($87,500)

www.strongnonprofits.org

Evaluating Funding Opportunities

Tool: Funding Opportunity Assessment



www.strongnonprofits.org ▶

Scenario Planning Toolkit

[Navigating Uncertainty](#) | StrongNonprofits.org

RAPID RESPONSE SCENARIO PLANNING

BDO

1. Set Guiding Principles

Guiding Principles in Scenario Planning: Some key guiding principles for Scenario Planning can include a process that is:

- **Grounded**: Balances short-term and long-term needs in values and guiding principles
- **Realistic**: Based on current information and strategic priorities
- **Inclusive**: Decisions include both resource and mission considerations and team input is prioritized
- **Directional**: Prioritizes speed over perfection

1. Set Guiding Principles		
Define Your Spectrum of Actions[1]		
Must Do	What are the core priorities or goals for the organization during this time? What are immediate steps the organization must take to strengthen organizational resilience?	***Example:*** *We* *program part*

2B. Selecting Scenarios

Using Section 2A brainstorming above for reference, use the worksheet below to identify up to eight changes or decisions that would impact your organization or programming.

Almost anything *could* happen, but carefully exploring every possible eventuality isn't the best use of nonprofit leaders' time. Identifying the key variables or drivers that would have the greatest impact on the organization and are most likely is a critical element of rapid scenario planning. Assigning a Probability and Impact Score to major changes and decisions you're considering and then reviewing those scores in relationship to each other can help you narrow down a long list of possibilities into a manageable list of scenarios to explore.

Probability: How likely is it that this would occur?

1 = relatively unlikely

5 = very likely

Impact: How significantly would this alter our organization's financial health or ability to deliver on our mission (positively

1 = relatively minor impact

5 = significant or existential impact

If this scoring makes it clear which scenarios most warrant additional consideration, proceed to Step 2C. If a visualization t in focusing your team's attention, enter the potential scenarios above into an **Impact/Probability Matrix** on the following p modeling changes and decisions that fall in the darker parts of the matrix.

Distinctive Name	External Change or Internal Decision	Brief Description	Pr
[Example] Lose contract	*External Change*	*Loss of government contract that funds 75% of programming*	*4*
[Example] Partner on Programming	*Internal Decision*	*Move our online youth programming in person by partnering with the local library.*	*2*

Probability/Impact Matrix

Probability \ Impact	5	4	3	2	1
5					
4	*Ex. Lose Contract*				
3					
2		*Ex. Partner on Programming*			

Resources: Articles to Read

- **The Matrix Map: A Powerful Tool for Mission-Focused Nonprofits:**
  - nonprofitquarterly.org/the-matrix-map-a-powerful-tool-for-mission-focused-nonprofits/
- **Develop Strong Fiscal Muscles for High Performance:**
  - leapambassadors.org/resources/ambassador-insights/strong-fiscal-muscles/
- **Cash Flow in the Nonprofit Business Model: A Question of Whats and Whens:**
  - nonprofitquarterly.org/cash-flow-nonprofit-business-model-question-whats-whens/

What is your biggest takeaway from today's session?

About BDO USA

Our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes and value for our people, our clients and our communities. BDO is proud to be an ESOP company, reflecting a culture that puts people first. BDO professionals provide assurance, tax and advisory services for a diverse range of clients across the U.S. and in over 160 countries through our global organization.

BDO is the brand name for the BDO network and for each of the BDO Member Firms. BDO USA, P.C., a Virginia professional corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. For more information, please visit: www.bdo.com.