

EXAMPLE Budgeting Process for Sept. through Aug. Fiscal Year Revised April 2009

General Policy: ORG will strive to create balanced budgets that feature realistic revenue projections and conservative expense projections. Income and expenses will include the budget impact of strategic initiatives. The balanced budget will include depreciation expense and an amount to increase cash reserve as determined by ORG's multi-year capital budget.

DATES	TASK	LEADER RESPONSIBLE / BOARD & STAFF PARTICIPANTS	NOTES
March			
1 - 7	Provide departmental budget worksheets to department heads.	Finance Manager	Work sheets include prior year balances and current year end projections.
1 - 31	Review mission and strategic plan.	Finance Committee, Director , Finance Manager	Ensure that all strategic initiatives with budget impact are included in budget process.
1 - 31	Develop programming schedule.	Directors	
April			
1 - 30	Develop Contributed Revenue projections; update annual fundraising plan.	Directors, Finance Manager	Use work sheets and budget template detail tabs and fundraising plan.
1 - 30	Update multi-year capital goals.	Directors, Finance Manager	Refer to strategic plan.
1 - 30	Develop Earned Revenue projections.	Directors, Finance Manager	Use work sheets and budget template detail tabs
May			
1 - 21	Prepare Detailed Expense projections.	All Dept. heads, Dev. Team, Dir, and Finance Manager	Use work sheets and budget template detail tabs
22 - 31	Assemble Draft Budget and Narrative.	Directors, Finance Manager	Use Budget Template - all tabs.
June			
1 - 4	Send draft budget and narrative to finance committee members.	Finance Manager	Draft budget includes at least one year of history plus current year end projections for context.
4 - 20	Finance Cmte Meeting to discuss draft budget	Treasurer , Finance Committee, Director, Finance Manager	
20 - 27	Revise budget per results of finance cmte meeting; send to cmte for final review.	Directors, Finance Manager	
27 - 30	Finance Cmte members review revised budget and provide any new feedback.	Finance Cmte	Schedule finance cmte meeting , if necessary.
July			
1 - 5	Make changes (if any) to budget.	Directors, Finance Manager	
5 - 7	Send final proposed budget and narrative to finance cmte.	Finance Manager	
7 - 10	Circulate proposed budget with narrative to all board members.	Finance Manager	Should be at least one week before board meeting. Send only full budget tab, and selected detail (fund raising).
24 - 31	Board Meeting: Board approves budget.	Treasurer , Board Members, Director, Finance Manager	Budget is presented to the board by the Treasurer.
August			
1 - 15	Make last changes (if any) to budget.		
31	Fiscal Year Ends		

Variance Policy: Department heads have discretion to repurpose expenses between line items within their preview as long as the result does not exceed the approved total for the department. Should an overage be anticipated, the department head should inform the director to see if the overage can be mitigated or absorbed by another department. Any expected overage of more than **XX** % must be reported to the finance committee for approval.

Reporting: Monthly financial statements will include revised year-end projections that reflect expected changes from the original income and expense budget projections, both positive and negative, with brief narrative explanations.

Cash Flow: The budget should be estimated on a cash flow basis by month and entered into QuickBooks by month per line item to assist with producing year-end projections and in monitoring cash flow.