Developing a Revenue Plan and Functional Budget

Introduction

- Bill Long – Solid Ground Consulting
- Emily Sutherland – CARCD

Goals of today’s session

1. Explore developing a revenue plan, and assigning responsibility for that revenue.
2. Examine creating a functional budget and how it can be an asset understand and grow an RCD.

Basic concepts

- RCDs are businesses. Successful RCDs think and act like businesses.
- Every business has limited resources (time and money). Ideally, they need to make decisions on allocation of those resources/as efficiently as possible.
- Volunteer leadership is a significant, untapped resource for RCDs.
- Financial planning is often relegated to the bottom of organizational to do lists.
- It’s about sustainability of the business.

Revenue Planning

1. Revenue Plan Worksheet discussion
   a. Purpose and function.
   b. CARCD example
2. Private Revenue: Path and Actions discussion
   a. Purpose and function
   b. Focus on relationships
3. Diversify and expand revenue sources for RCDs
   a. Continually ask if possible and how to expand all revenue categories.
   b. CARCD as a resource and helpful tool
      i. 501 (c)(3)
      ii. Foundations
      iii. Federal funding
      iv. Regional efforts
      v. Fiscal sponsor – neighboring RCDs for example
4. Changes in job descriptions in response to revenue sources or responsibilities
   a. Who is the logical staff person to do a task?
   b. What responsibilities might volunteer leaders assume?
Functional Budget

1. Process
   a. Who is involved in drafting?
   b. Steps and timeline for approval

2. Revenue
   a. Simplify categories – Budget Reports: Before and After
   b. Revenue worksheet
   c. Cost accounting, particularly for staff time
   d. Role of voluntary leadership

3. Expenses
   a. Cost accounting for time – as close as possible for revenue items (efficiency)
   b. Is RCD charging the appropriate amount of administrative fees?

Wrap up

- Questions and examples
- Final thoughts

Presentation Documents

1. Budget Reports: Before and After
2. Private Revenue: Path and Actions
3. CARCD 2018-2020 Revenue Plan Worksheet