

Wooden Wagon Wheel Association Budget For The Year 2020

	DESCRIPTION	\$	# COUNT	FREQUENCY				SUBTOTAL	TOTAL
REVENUES (Inflows)									\$ 588,675
1.1.0	Membership Dues							\$ 312,500	
1.1.1	Regular							\$ 312,500	
1.1.1.1	Small	\$ 250	@ 375			\$ 93,750			
1.1.1.2	Medium	\$ 500	@ 250			\$ 125,000			
1.1.1.3	Large	\$ 1,000	@ 75			\$ 75,000			
1.1.2	Associate	\$ 250	@ 75			\$ 18,750			
1.1.2	Membership Drive							\$ 31,250	
1.1.2.1	Regular							\$ 27,500	
1.1.2.1.1	Small	\$ 250	@ 50			\$ 12,500			
1.1.2.1.2	Medium	\$ 500	@ 20			\$ 10,000			
1.1.2.1.3	Large	\$ 1,000	@ 5			\$ 5,000			
1.1.2.2	Associate	\$ 250	@ 15			\$ 3,750	\$ 3,750		
1.2.0	Programs							\$ 244,925	
1.2.1	Learning Luncheons							\$ 72,000	
1.2.1.1	Attendees	\$ 25	@ 200	X	12	\$ 60,000			
1.2.1.2	Sponsorships	\$ 500	@ 2	X	12	\$ 12,000			
1.2.2	Annual Meeting							\$ 80,125	
1.2.2.1	Attendees	\$ 95	@ 475			\$ 45,125			
1.2.2.2	Sponsorships	\$ 3,500	@ 10			\$ 35,000			
1.2.3	Annual Leadership Training Sponsorship	\$ 5,000	@ 1				\$ 5,000		
1.2.4	Web Site Sponsorship	\$ 5,000	@ 5			\$ 25,000	\$ 25,000		
1.2.5	Newsletter Advertising							\$ 62,800	
1.2.5.1	Full Page Ad	\$ 600	@ 2	X	12	\$ 14,400			
1.2.5.2	Half Page Ad	\$ 400	@ 8	X	12	\$ 38,400			
1.2.5.3	Quarter Page Ad	\$ 1,000	@ 10	X	12	\$ 10,000			

EXPENSES (Outflows)									\$ 586,825
5.1.0	Membership							\$ 1,700	
5.1.1	Membership Drive							\$ 1,700	
5.1.1.1	Telephone Bank Equipment & Fees	\$ 100	@ 10			\$ 1,000			
5.1.1.2	Volunteers Lunches	\$ 20	@ 35			\$ 700			
5.2.0	Programs							\$ 81,575	
5.2.1	Learning Luncheons							\$ 37,200	
5.2.1.1	Facility Charge	\$ 100	@	X	12	\$ 1,200			
5.2.1.2	Lunch	\$ 15	@ 200	X	12	\$ 36,000			
5.2.2	Annual Meeting							\$ 43,375	
5.2.2.1	Facility Charge	\$ 2,500				\$ 2,500			
5.2.2.2	Dinners	\$ 70	@ 475			\$ 33,250			
5.2.2.3	Plaques	\$ 75	@ 15			\$ 1,125			
5.2.2.4	Keynote Speaker					\$ 6,500			
5.2.3	Annual Board & Committee Leadership Training					\$ 1,000	\$ 1,000		
5.3.0	Staff							\$ 386,000	
5.3.1	Salaries							\$ 250,000	
5.3.2	Benefits							\$ 125,000	
5.3.3	Staff Education/Training/Travel							\$ 7,500	
5.3.4	Staff Professional Memberships							\$ 3,500	
5.4.0	Operations							\$ 117,550	
5.4.1	Annual Financial Audit							\$ 6,000	
5.4.2	Printing							\$ 24,000	
5.4.2.1	Letterhead, Forms							\$ 7,500	
5.4.2.2	Annual Report							\$ 4,750	
5.4.2.3	Newsletter (produce, print, mail)	\$ 2	1,000	X	12	\$ 24,000	24,000		
5.4.2.4	Web Site, E-Mail (internet, domain)							\$ 3,500	
5.4.2.5	Postage	\$ 150		X	12	\$ 1,800	\$ 1,800		
5.4.2.6	Office Rent	\$ 1,750		X	12	\$ 21,000	\$ 21,000		
5.4.2.7	Equipment Leases (Computers, Printers, Copier)	\$ 875		X	12	\$ 10,500	\$ 10,500		
5.4.2.8	Consumables/Supplies	\$ 350		X	12	\$ 4,200	\$ 4,200		
5.4.2.9	Telephone/Fax/Cell/Website	\$ 275		X	12	\$ 3,300	\$ 3,300		
5.4.2.10	Insurance (Universal business coverage and D&O)							\$ 7,000	

REVENUES (Inflows) OVER EXPENSES (Outflows)									\$ 1,850
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UNDERSTANDING THE NONPROFIT 501(c)(6) BUDGET

Coordinate the budget with the chart of accounts and tracking is much easier.

Membership dues can be determined by using number of FTEs, end-of-year profits, a combination of both, or some other method.

Don't wait until the member's anniversary (join) date to bill. Send bills 60 days in advance. For faster payment, make sure to accept credit cards.

Once-a-year payments for memberships are preferred to semi-annually, quarterly or monthly (try to avoid).

Segregate sponsorship funds. Do not co-mingle with memberships.

The best practice for collecting membership dues is annually; it provides a more accurate 'snapshot' for forecasting purposes and it saves processing time for the staff.

Some NPOs have an associate member category for businesses / individuals that provide products / services related to the NPO.

Sponsorships must be accounted for separately from memberships.

The IRS views income from advertising, sponsorships, endorsements, etc. as UBIT, so classifications like membership dues and program participation need to be separated.

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5.1.2.1.1 Small	\$ 250 @	50			\$ 12,500	
5.1.2.1.2 Medium	\$ 500 @	30			\$ 10,000	
5.1.2.1.3 Large	\$ 1,000 @	5			\$ 5,000	
5.1.2.2 Associate	\$ 250 @	15			\$ 3,750	
5.2.0 Programs						\$ 244,925
5.2.1 Learning Luncheons					\$ 72,000	
5.2.1.1 Attendees	\$ 25 @	200	X	12	\$ 60,000	
5.2.1.2 Sponsorships	\$ 500 @	2	X	12	\$ 12,000	
5.2.2 Annual Meeting					\$ 80,125	
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5.2.0 Programs						\$ 81,575
5.2.1 Learning Luncheons					\$ 37,200	
5.2.1.1 Facility Charge	\$ 160 @		X	12	\$ 1,200	
5.2.1.2 Lunch	\$ 15 @	200		12	\$ 36,000	
5.2.2 Annual Meeting					\$ 43,375	
5.2.2.1 Facility Charge	\$ 2,500 @				\$ 2,500	
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REVENUES (Inflows) OVER EXPENSES (Outflows)						\$ 1,850

Use one line to group all staff salaries and benefits.

A full financial audit (rather than a financial review) provides the most in-depth look and subsequent auditor recommendations.

This printing line item is for operations expenses) which includes newsletters and letterhead). When a program requires printing or copying, allocate those expenses to the program rather than 'dumping' them in the Operations Printing line item.

Tracking and allocating expense items (such as copies and office supplies) that are routinely used by staff and committees is time consuming. Instead, group pens, paper, paper clips, etc. together in to a single line item.

Unlike for-profit corporations, nonprofit groups do not make profits nor can they declare dividends. Instead, funds remaining at the end of the nonprofit's year, are considered "seed money" and roll to the next year to start programs.