

PART I: 990 REVIEW AND SWOT ANALYSIS

SUMMARY

Contributions and grants increased by \$1.3M, a 12% year-over-year (YOY) increase. Overall, a 15% YOY revenue increase, which is remarkable in a difficult year that saw both the pandemic and a contentious presidential election. Note there was even a modest increase in investment income.

Total expenses decreased by \$938k, an overall 8% reduction. This includes an almost 10% YOY reduction in fundraising expenses. Revenue outpacing expense spending is a strong trend, but there may be additional factors to keep in mind. For example, travel during the pandemic was almost nonexistent. When travel normalizes, this reduction trend will likely not continue and given rising energy costs may return at a much higher rate.

Salaries and benefits represent about 34% of overall expenses (including directors, etc.). Payroll taxes saw a sharp decrease YOY, and the reasons for this should be analyzed and adjustments reflected in the 2021/2022 budgets. Disbursed staff means increasing taxes in many jurisdictions as well as potentially unpredictable increases in healthcare costs in various geographic locations. Additionally, there was an increase in regrating to partner organizations in 2020, which should be strategically noted in donor appeal materials.

Total assets almost doubled (93% increase), far outpacing liabilities increases, which were a modest \$214k increase (20% YOY increase). There was a major shift in the type of asset holdings from non-interest-bearing accounts to temporary cash investments. There was also a major increase in in "Other Assets" which may impact interest earnings, especially in the current volatile investment market.

SWOT ANALYSIS

STRENGTHS <ul style="list-style-type: none">Continued growth in fundraising efforts through first year of pandemic reflects donor retention and growthSmall percentage of restricted (12%) to unrestricted funds (88%)	WEAKNESSES <ul style="list-style-type: none">5 months of operating reserves; up from 2 months in prior year, but still below 6 month targetThough organization is a pioneer in the field of small donor contributions, a growing number of new and lean orgs are also employing this strategy, further stressing the donor pool. May need to diversify fundraising activities in immediate future
OPPORTUNITIES <ul style="list-style-type: none">Increased donor engaged by charity rating orgs (Charity Navigator, Givewell) could work in tandem with internal campaigns (Living Wage, Fight for \$15). Opportunity to promote organization's staff spending (33%) on equitable salariesRelatively low spending on Officers, Directors, Trustees, and Key Employees (2%) should fare well with watchdog organizations	THREATS <ul style="list-style-type: none">Unpredictable investment market; currently holding \$3.5M in cash investment accountsExponentially increasing healthcare costs may drive benefits expenses for our disbursed staff well past budget projections

PART II: BUDGET AND QUESTIONS

DRAFT BUDGET

Expense Category	Grant Proposal	Overall Campaign Budget
Salaries and Benefits	\$25,000	\$150,000
Interns	\$1,800	\$75,000
Consultants	\$3,500	\$75,000
Media Production	\$1,800	\$125,000
Media Fees	\$500	\$150,000
SMS Messaging Distribution	\$2,000	\$20,000
Licensing Fees	\$300	\$50,000
Materials	\$0	\$75,000
Research	\$15,000	\$125,000
Postage	\$0	\$20,000
Small Equipment	\$0	\$8,000
Travel	\$0	\$100,000
Legal	\$0	\$100,000
Insurance	\$100	\$2,000
Totals	\$50,000	\$1,075,000

EMAIL TO CAMPAIGN, DEVELOPMENT, AND OPERATIONS TEAMS:

Hello Teams,

I've prepared a draft budget for campaign and well as a draft budget for a \$50k grant to the "Foundation". The grant application represents about 5% of total overall funding of the campaign. We know that the Foundation is particularly interested in funding work that reaches young people directly with concrete data points. With that consideration, I've allocated a large portion of the grant application (30%) for research, specifically rapid response PPP polling to use in social media and texting messaging. I've also included intern expenses to leverage donor interest.

We know that the nomination to confirmation period may be quite brief. These budget assumptions are based on a six-month campaign; should this timeframe be shorter? Do we have consensus that this is a correct length of time for the campaign?

Additional Line-Item Questions (please response within this thread):

- Assuming this is a 6-month campaign, I've included \$25k for campaign salaries and benefits in this grant proposal. This is approximately .25 FTE for the campaign manager
- Do we need additional licensing fees for media assets (photos, music, etc.)?
- The Foundation is interested in high-production value social media posts. Would it be beneficial to breakout line-items in the "Media Production" category? (studio recording time, production room rentals fees, etc.)
- The Foundation would like to see at least one sponsored post on #STOPBRETTKAVANAUGH on Instagram. The \$500 expense in Media Fees represents 50% of that cost. Will this meet our current targeting goals?
- We know that costs in SMS messaging distribution have risen sharply over the last three years. Please provide accurate vendor estimates for this project.
- Are there any additional insurance considerations needed, particularly for rally events and video production? Reminder that the drone flyover waiver has increased 150% in the last five years.
- Have any additional high-profile on-camera talent committed to waiving fees? A reduction in Media Production expenses could mean more funds available for print ads, captured in the Media Fees line-item.