



**Villages**

**Technical Assistance Center**

14 Corporate Woods Blvd. \* Suite 102 \* Albany, NY 12211-2523 \* (518) 434-2140

## ***Village Budget Checklist***

A budget is a financial document that provides an overview of how the Village plans to spend their money. It is developed by the primary goals and objectives of the organization.

### **Build Budget Timeline**

---

- 1. Begin developing Budget two months before the start of the Village Fiscal Year
- 2. Set target meeting for Board adoption of Budget.
- 3. Allow each committee and leadership to review and suggest items for inclusion.
- 4. Adopt Budget before the start of the Fiscal Year

### **Define and Agree on the Goals**

---

- 1. Determine Village priorities for programs, services and the financial needs for the year
- 2. Review strategic or business plan for adopted goals and objectives
- 3. Identify fixed and necessary costs budget these first
- 4. Use Finance Committee members as working group

### **Awareness of Current Village Status**

---

- 1. Review current year Budget (income against expenses) check assumptions made (membership, grants, expenses) and document the variance from initial assumptions
- 2. Will the Village end the year in the black or the red?

# Village Budgeting Checklist

- 3.** Analyze and know why variances occurred.

## Agree on a Budget Process

---

- 1.** Does the Village have Financial Policies and Procedures?
- 2.** Does the Village use cash or accrual accounting?
- 3.** Agree on the Roles and Responsibilities of each Committee and the Board.
- 4.** Agree on the level of uncertainty or risks that can be included in the Budget. Limit the unknowns for more predictability.
- 5.** Agree on the authority to make final Budget decisions.

## Develop Draft Expenses Budget

---

- 1.** Review prior year spending to identify spending trends. If it is the first year for the Village base estimates on similar Village spending.
- 2.** Determine basic expenses to operate Village (no new programing).
- 3.** Determine expenses to reach Village goals for the year (# of members, # of events, # of volunteers to be trained).

## Develop Draft Revenue Forecast

---

- 1.** Review prior year revenue and current year assumptions (membership growth, new sponsors, grant opportunities).
- 2.** Develop revenue forecast based on past years actual spending. If it is the first year for the Village base estimate on similar Village revenue.
- 3.** Project revenue from fundraisers, membership dues, grants, and all revenue generating activities.
- 4.** Project new revenue from new activities, increased membership, new grants or fundraisers planned.

## Review Budget Assumptions

---

- 1.** Verify that the revenue and spending assumptions meet the Villages goals for the year.
- 2.** Review and discuss all assumptions, review validity and alternative options. Adjust assumptions based on risk level and predictability.
- 3.** Adjust assumptions based on goals and capacity so income is adequate to cover expenses.
- 4.** Review final draft to ensure all goals and objectives can be achieved.

## Adopt Budget

---

- 1.** Review prior year revenue and current year assumptions (membership growth, new sponsors, grant opportunities).
- 2.** Develop revenue forecast based on past years actual spending. If it is the first year for the Village base estimate on similar Village revenue.
- 3.** Project revenue from fundraisers, membership dues, grants, and all revenue generating activities.
- 4.** Project new revenue from new activities, increased membership, new grants or fundraisers planned.

## Document Budget Decisions

---

- 1.** Share final adopted budget spreadsheet with all board and finance committee members
- 2.** Document all assumption.
- 3.** Track income and expenditure assumptions. Adjust spending as necessary to meet necessary costs.

## Implement Budget

---

- 1.** Incorporate budget into accounting system.
- 2.** Assign responsibilities for monitoring and reporting.

## Village Budgeting Checklist

- 3.** Monitor and respond to revenue losses or unexpected expenditures.
- 4.** Adjust budget as necessary to stay in balance.

**VTAC \*14 Corporate Woods #102 \*Albany, NY 12211-2523 \* (518) 434-2140**