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# **2020 Draft Budget**

***~~Finance Committee 11.05.2019~~***

***Updated for Executive Committee 11.18.2019***

## **2020 Budget Vision and Strategy**

### **Focus on the Athlete Experience at all levels of competition**

- Expand Pageantry at all levels, elevating the experience for athletes competing at regional levels
- Increase resources to areas, supporting our volunteer area directors with state office resources
- Reduce fees for delegations to compete at state competitions
- Leave more financial resources at the local level to improve the athletes experience

### **Innovate to expand contributed income opportunities**

- Invest in a grant writer to expand State office services to secure local grants for areas
- Deepen reach into the corporate community
- Evaluate all promotional events for effective return

### **Allocate resources to further the vision of athlete experience**

- Expand the program team to ensure area directors have State office support
- Leverage team members to support UCS and Healthy Athlete initiatives, including marketing and expanded fundraising
- Manage administrative costs at or below 5% of spend to ensure maximum resourcing to programs.
- Manage the direct cost of fundraising to a maximum of 25% to ensure maximum resourcing to programs

## 2020 Budget Financial Plan Highlights

### Cash revenue (excluding Casey's roundup) growth of 4% over 2019 forecast (+ \$100,000)

- \$830,000 from individual and corporate contributed income sources
- \$400,000 budgeted for Casey's round up, a decrease of \$165,000 from FY 2019 forecast
- \$107,500 increase in grants from SOI for Unified Champion Schools
- \$42,000 decrease in program revenues, eliminating the fees to delegations to attend Summer Games
- \$27,600 increase in revenues from fundraising activities, as growth is offset by OTE

### Cash expense growth of 9.0% over 2019 forecast (+ \$273,500)

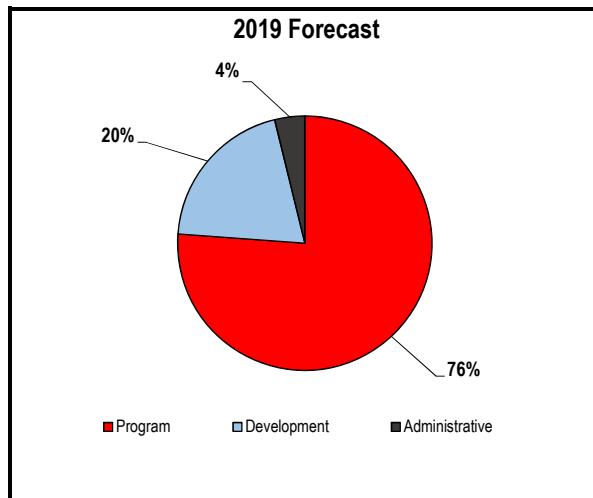
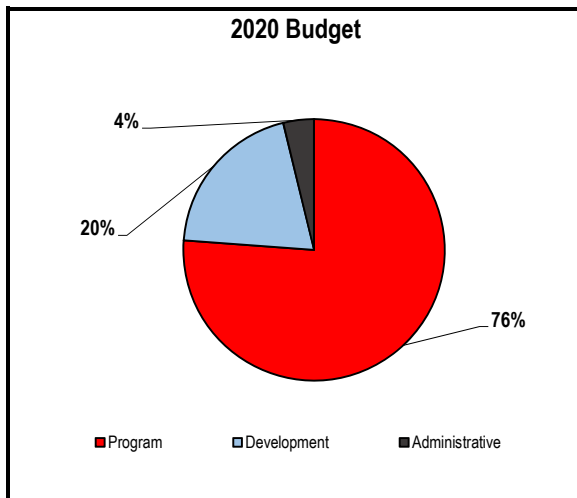
- \$167,500 for change in employee costs ; \$109,000 for new staff and \$46,000 for benefits
- \$45,000 for the Initial combined UCS and US Business Meeting initiative
- \$88,300 for the direct support to schools to expand Unified Champion Schools
- \$30,000 to implement the collaborative food initiative for Summer Games
- \$20,000 to fund bowling fees for area competitions
- \$71,000 reduction in direct costs of promotional events; targeting 25% cost of revenues

### Expenses for employee costs approximate 47% of cash revenues (20 FTEs up from 17 FTEs in 2019)

- Assume a 5% across the board pay increase, to be used as a pool for allocation to employees based on merit and risk
- Invest in program associate to support areas, LETR liaison, and a grant writer to support area fundraising
- Continue to offer a competitive benefits package to offset base pay differential with the private sector

### Functional Cash Expense allocations

- Expand program spending to 76% of total expenditures. When including depreciation and in-kind - 83%.



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**2020 Organizational Budget**

| <b><u>REVENUE</u></b>                      | <b><u>2020 Budget</u></b> | <b><u>2019 9+3 Forecast</u></b> | <b><u>2020B to 2019F</u></b> |
|--|---------------------------|---------------------------------|------------------------------|
| Contributions                              | \$ 831,000                | \$ 811,454                      | \$ 19,546                    |
| Promotions Revenue                         | 1,485,000                 | 1,623,141                       | (138,141)                    |
| Program Revenue                            | 83,000                    | 125,310                         | (42,310)                     |
| Grants                                     | 612,700                   | 515,539                         | 97,161                       |
| Other Income                               | -                         | 1,110                           | (1,110)                      |
| <b>TOTAL CASH REVENUE</b>                  | <b>3,011,700</b>          | <b>3,076,553</b>                | <b>(64,853)</b>              |
| Investment Income                          | -                         | 72,229                          | (72,229)                     |
| In-Kind Donations                          | 1,485,000                 | 1,371,065                       | 113,935                      |
| <b>TOTAL REVENUE</b>                       | <b>\$ 4,496,700</b>       | <b>\$ 4,519,847</b>             | <b>\$ (23,147)</b>           |
| <br>                                       |                           |                                 |                              |
| <b><u>EXPENSES</u></b>                     |                           |                                 |                              |
| Program                                    | 2,311,700                 | 2,103,398                       | 208,302                      |
| Development                                | 608,100                   | 553,305                         | 54,795                       |
| Administrative                             | 115,500                   | 105,093                         | 10,407                       |
| <b>TOTAL EXPENSES</b>                      | <b>\$ 3,035,300</b>       | <b>\$ 2,761,795</b>             | <b>\$ 273,505</b>            |
| <br>                                       |                           |                                 |                              |
| <b>OPERATING SURPLUS (LOSS) CASH-BASED</b> | <b>\$ (23,600)</b>        | <b>\$ 314,758</b>               | <b>\$ (338,358)</b>          |
| <br>                                       |                           |                                 |                              |
| In-Kind Donations                          | 1,400,000                 | 1,286,065                       | 113,935                      |
| Volunteer Hours Donated                    | 85,000                    | 85,000                          | -                            |
| Depreciation expense                       | 80,300                    | 70,228                          | 10,072                       |
| <b>OPERATING SURPLIS (LOSS)</b>            | <b>\$ (103,900)</b>       | <b>\$ 316,759</b>               | <b>\$ (420,659)</b>          |

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# **Addendum**

***Internal Use Only***



2020 Organizational Budget

| REVENUE                      | 2020 Budget         | 2019 9+3 Forecast   | Variance           |
|------------------------------|---------------------|---------------------|--------------------|
| Contributions-Civic Clubs    | \$ 65,000           | \$ 51,358           | \$ 13,642          |
| Contributions-Corporate      | 291,000             | 291,902             | (902)              |
| Contributions-Individuals    | 95,000              | 92,051              | 2,949              |
| Contributions-Royalty Income | 5,000               | 4,441               | 559                |
| Contributions-Telemarket     | 135,000             | 131,701             | 3,299              |
| Contributions-Direct Mail    | 240,000             | 240,000             | -                  |
| Promotions Revenue           | 1,085,000           | 1,057,363           | 27,637             |
| Casey's Roundup              | 400,000             | 565,778             | (165,778)          |
| Program Revenue              | 83,000              | 125,310             | (42,310)           |
| Grants                       | 612,700             | 515,539             | 97,161             |
| Other Income                 | -                   | 1,110               | (1,110)            |
| <b>TOTAL CASH REVENUES</b>   | <b>3,011,700</b>    | <b>3,076,553</b>    | <b>(64,853)</b>    |
| Investment Income            | -                   | 72,229              | (72,229)           |
| In-Kind Donations            | 1,485,000           | 1,371,065           | 113,935            |
| <b>TOTAL REVENUE</b>         | <b>\$ 4,496,700</b> | <b>\$ 4,519,847</b> | <b>\$ (23,147)</b> |

| EXPENSES   | Program             | Development       | Administrative    | Total               | 2019 9+3 Forecast   | Variance \$       |
|--|---------------------|-------------------|-------------------|---------------------|---------------------|-------------------|
| Area Compensation                                | \$ -                | \$ -              | \$ -              | \$ -                | \$ 4,282            | \$ (4,282)        |
| Accounting Expenses                              | -                   | -                 | 73,500            | 73,500              | 72,014              | 1,486             |
| Audit Fees                                       | -                   | -                 | 16,500            | 16,500              | 13,675              | 2,825             |
| Automobile Expenses                              | 9,600               | 2,300             | 100               | 12,000              | 12,743              | (743)             |
| Awards   | 15,000              | -                 | -                 | 15,000              | 13,278              | 1,722             |
| Bank Charges/Interest Expense                    | 1,000               | 200               | 1,900             | 3,100               | 1,784               | 1,316             |
| Big 12 Expenses                                  | 5,100               | -                 | -                 | 5,100               | 5,502               | (402)             |
| Board of Director Expense                        | 7,600               | 1,800             | 100               | 9,500               | 7,518               | 1,982             |
| Building Interest                                | -                   | -                 | -                 | -                   | -                   | -                 |
| Building Maintenance                             | 21,500              | 5,200             | 300               | 27,000              | 23,396              | 3,604             |
| Conferences & Meetings                           | -                   | -                 | -                 | -                   | 18,603              | (18,603)          |
| Criminal Background Checks                       | 4,800               | -                 | -                 | 4,800               | 4,105               | 695               |
| Dues & Subscriptions                             | 6,500               | 1,600             | 100               | 8,200               | 6,417               | 1,783             |
| Equipment Lease & Repair                         | 9,600               | 2,300             | 100               | 12,000              | 14,437              | (2,437)           |
| Flowers & Gifts                                  | 1,000               | 200               | -                 | 1,200               | 972                 | 228               |
| Fundraising                                      | -                   | 12,000            | -                 | 12,000              | 10,787              | 1,213             |
| Garden Expense                                   | 2,000               | 500               | -                 | 2,500               | 1,132               | 1,368             |
| General Program Supplies                         | 9,600               | 4,500             | -                 | 14,100              | 11,469              | 2,631             |
| Hotels/Meals/Incidentals                         | 9,600               | 2,300             | 100               | 12,000              | 7,706               | 4,294             |
| Insurance  | 32,500              | 7,800             | 500               | 40,800              | 40,549              | 251               |
| Investment Management Fees                       | -                   | -                 | 5,200             | 5,200               | 7,272               | (2,072)           |
| Legal Fees                                       | -                   | -                 | -                 | -                   | -                   | -                 |
| Office Supplies                                  | 5,900               | 1,400             | 100               | 7,400               | 6,869               | 531               |
| Permits & Licenses                               | 500                 | 100               | -                 | 600                 | 300                 | 300               |
| Postage & Shipping                               | 4,800               | 1,200             | 100               | 6,100               | 7,842               | (1,742)           |
| Printing   | 4,800               | 1,200             | 100               | 6,100               | 4,711               | 1,389             |
| Program Expenses                                 | 635,000             | -                 | -                 | 635,000             | 541,975             | 93,025            |
| Unified Champion Schools                         | 293,500             | -                 | -                 | 293,500             | 205,150             | 88,350            |
| Promotion Expenses                               | -                   | 224,200           | -                 | 224,200             | 295,209             | (71,009)          |
| Public Education                                 | 31,200              | -                 | -                 | 31,200              | 25,442              | 5,758             |
| Public Relations                                 | -                   | 7,200             | -                 | 7,200               | 6,246               | 954               |
| Salaries and Benefits                            | 1,096,000           | 264,000           | 16,000            | 1,376,000           | 1,208,170           | 167,830           |
| SOI Accreditation Fee                            | 50,400              | -                 | -                 | 50,400              | 44,078              | 6,322             |
| Supplies for Staff                               | -                   | -                 | 200               | 200                 | 201                 | (1)               |
| Team Iowa Expenses                               | -                   | -                 | -                 | -                   | 100                 | (100)             |
| Computer and Maintenance                         | 13,400              | 3,200             | 200               | 16,800              | 17,671              | (871)             |
| Telemarket Expenses                              | -                   | 43,200            | -                 | 43,200              | 38,489              | 4,711             |
| Telephone/FAX/Internet                           | 8,100               | 2,000             | 100               | 10,200              | 8,250               | 1,950             |
| Training & Consulting                            | 3,800               | 900               | 100               | 4,800               | -                   | 4,800             |
| Utilities  | 15,700              | 3,800             | 200               | 19,700              | 17,556              | 2,144             |
| Professional Development                         | 9,600               | -                 | -                 | 9,600               | -                   | 9,600             |
| Torch Run Conference                             | -                   | 15,000            | -                 | 15,000              | 43,688              | (28,688)          |
| Volunteer Recruitment                            | 3,600               | -                 | -                 | 3,600               | 12,208              | (8,608)           |
| <b>TOTAL CASH EXPENSES</b>                       | <b>\$ 2,311,700</b> | <b>\$ 608,100</b> | <b>\$ 115,500</b> | <b>\$ 3,035,300</b> | <b>\$ 2,761,795</b> | <b>\$ 273,505</b> |
| <b>2019F Functional Expense Allocation</b>       | <b>2,103,398</b>    | <b>553,305</b>    | <b>105,093</b>    | <b>2,761,795</b>    |                     |                   |
| <b>2020B to 2019(9+ 3 F) Increase (Decrease)</b> | <b>\$ 208,302</b>   | <b>\$ 54,795</b>  | <b>\$ 10,407</b>  | <b>\$ 273,505</b>   |                     |                   |

|   |                  |                |                |                  |                  |                |
|---|------------------|----------------|----------------|------------------|------------------|----------------|
| In Kind Contributions                   | 1,370,000        | 30,000         | -              | 1,400,000        | 1,286,065        | 113,935        |
| Volunteer Hours Donated                 | 85,000           | -              | -              | 85,000           | 85,000           | -              |
| Depreciation Expense                    | 64,000           | 15,400         | 900            | 80,300           | 70,228           | 10,072         |
| <b>TOTAL CASH and NON-CASH EXPENSES</b> | <b>3,830,700</b> | <b>653,500</b> | <b>116,400</b> | <b>4,600,600</b> | <b>4,203,088</b> | <b>397,512</b> |

|                               |  |  |  |                     |                   |                     |
|-------------------------------|--|--|--|---------------------|-------------------|---------------------|
| <b>INCREASE IN NET ASSETS</b> |  |  |  | <b>\$ (103,900)</b> | <b>\$ 316,759</b> | <b>\$ (420,659)</b> |
|-------------------------------|--|--|--|---------------------|-------------------|---------------------|

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**Special  
Olympics**  
*Iowa*



**Capital Expenditure Plan**

|  |           | <b><u>CYE 2020</u></b> |
|--|-----------|------------------------|
| Award Platforms and Pageantry Investment       | \$        | 165,000                |
| Office renovation                              |           | 25,000                 |
| Office renovation                              |           |                        |
|  |           | <hr/>                  |
| <b>Use of Surplus for Capital Improvements</b> | <b>\$</b> | <b><u>190,000</u></b>  |