

Budget Development Checklist

1. Preparation & Alignment

NOTES

- ☐ Confirm fiscal year start and end dates
- ☐ Review organizational strategic plan and annual goals
- ☐ Identify budgeting timeline and milestones
- ☐ Clarify roles: who drafts, reviews, and approves
- ☐ Review prior year's budget vs. actual performance
- ☐ Note any major one-time or multi-year initiatives
- ☐ Update cost assumptions (inflation, salary adjustments, vendor rates)

2. Revenue Planning

- ☐ Review historical revenue trends (3–5 years)
- ☐ Update funding pipeline: confirmed, pending, and projected
- ☐ Break down revenue by source (grants, giving, earned income, events, etc.)
- ☐ Check renewal likelihood and timing of major funders
- ☐ Include new revenue initiatives or campaigns
- ☐ Apply conservative estimates and flag risks

3. Expense Planning

- ☐ Review current staffing chart and positions to budget
- ☐ Include projected salary adjustments or vacancies
- ☐ Budget for payroll taxes and fringe benefits
- ☐ Review program-by-program direct expenses
- ☐ Include shared or indirect costs (rent, IT, insurance, admin)
- ☐ Identify one-time or capital costs
- ☐ Allocate professional development, DEI, and wellness costs
- ☐ Verify restricted grant budget alignment (eligible/ineligible costs)

4. Budget Balancing & Scenario Planning

- ☐ Prepare base, optimistic, and conservative scenarios
- ☐ Identify break-even point or target surplus
- ☐ Confirm reserve contributions or withdrawals
- ☐ Review cash flow implications and timing of receipts
- ☐ Flag dependencies (e.g., pending grant outcomes)
- ☐ Check alignment with board-approved financial policies

5. Review & Approval

- ☐ Review draft with program leads and finance staff
- ☐ Summarize key changes and assumptions
- ☐ Present to Finance Committee for input
- ☐ Revise based on feedback
- ☐ Obtain board approval before fiscal year start
- ☐ Communicate final budget and narrative to staff

6. Implementation & Monitoring

- ☐ Enter final budget into accounting system
- ☐ Set up monthly/quarterly reporting schedule
- ☐ Establish variance thresholds and review process
- ☐ Align budget reports with program metrics
- ☐ Schedule mid-year budget review/update
- ☐ Use visuals or dashboards to share progress with staff and board