SAMPLE FUNCTIONAL BUDGET

Sources and Uses of Funds

Three-Year Budget

The funding requirements for Habitat are found in the expense side of the organization's three-year budget. This budget reflects the program priorities established in the planning process. Budget figures for the first year have been defined in great detail and accurately reflect the true costs of implementing the program activities within each function. Future year budgets are based on estimates of program growth from the strategic plan. The overall goal for fundraising is to raise sufficient money to cover the expense in each functional area of the budget over a three-year period.

	2005-2006		2006-2007		2007-2008	
	Amount	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Cash Receipts						
Individual Donors	183,000	11%	325,656	15%	411,596	13%
Major Donors ($1,000+)	102,500	6%	140,000	7%	190,000	8%
Businesses	390,000	23%	525,000	25%	625,000	25%
Grants	175,000	10%	665,000	31%	285,000	11%
Service, Youth and Faith Groups	76,000	4%	110,000	5%	140,000	6%
Mortgage Receipts	253,895	15%	301,895	14%	352,895	14%
Mortgage Asset Program	400,000	24%	0	0%	500,000	20%
Fees and Earned Income	58,000	3%	75,000	4%	80,000	3%
Reserve Drawdown	61,000	4%	0	0%	0	0%
Total Receipts	**1,699,395**	**100%**	**2,142,551**	**100%**	**2,584,491**	**100%**
Cash Disbursements						
Construction	997,153	59%	1,062,446	50%	1,406,871	51%
Family Services	84,849	5%	87,893	4%	91,949	3%
Volunteer Programs	28,698	2%	33,594	2%	31,966	1%
Development	189,179	11%	294,134	14%	324,228	9%
Administration	60,199	4%	63,939	3%	62,731	2%
Tithe	33,850	2%	33,850	2%	33,850	1%
Operating Reserve	153,000	9%	78,000	4%	53,000	2%
Land Purchase Reserve	48,000	3%	350,000	16%	350,000	22%
Debt Repayment	92,586	5%	138,695	6%	229,896	8%
Total Disbursements	**1,687,514**	**100%**	**2,142,551**	**100%**	**2,584,491**	**100%**

The expense areas listed above will be covered by a variety of revenue sources. A few of the expense areas will get all of the funding from a single revenue source, but most will combine several streams of revenue to cover the expenses of that program. The appropriate revenues for each program depend on donor restriction, donor appeal, foundation priorities, fundraising strengths and weaknesses, etc.

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SAMPLE FUNCTIONAL BUDGET (continued)

The table below takes the functional expense areas in the previous chart and assigns revenue to them.

	2005-2006		2006-2007		2007-2008	
	Amount	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Construction						
Individual Donors	12,559	1%	5,551	1%	58,976	4%
Major Donors ($1,000+)	30,000	3%	40,000	4%	70,000	5%
Businesses	330,000	33%	435,000	41%	515,000	37%
Grants	0	0%	180,000	17%	140,000	10%
Service, Youth and Faith Groups	70,000	7%	100,000	9%	120,000	9%
Mortgage Receipts	253,895	25%	301,895	28%	352,895	25%
Mortgage Asset Program	300,000	30%	0	0%	150,000	11%
Fees and Earned Income	699	0%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Construction	**997,153**	**1**	**1,062,446**	**1**	**1,406,871**	**1**
Family Services						
Individual Donors	0	0%	12,893	15%	11,949	13%
Major Donors ($1,000+)	0	0%	0	0%	0	0%
Businesses	10,859	13%	20,000	23%	20,000	22%
Grants	45,000	53%	50,000	57%	50,000	54%
Service, Youth and Faith Groups	0	0%	5,000	6%	10,000	11%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	1,490	2%	0	0%	0	0%
Reserve Buy Down	27,500	32%	0	0%	0	0%
Total Family Services	**84,849**	**1**	**87,893**	**1**	**91,949**	**1**
Volunteer Programs						
Individual Donors	13,319	46%	13,594	40%	11,966	37%
Major Donors ($1,000+)	0	0%	0	0%	0	0%
Businesses	14,144	49%	20,000	60%	20,000	63%
Grants	0	0%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	1,235	4%	0	0%	0	0%
Reserve Buydown	0	0%	0	0%	0	0%
Total Volunteer Programs	**28,698**	**1**	**33,594**	**1**	**31,966**	**1**

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SAMPLE FUNCTIONAL BUDGET (continued)

	2005-2006		2006-2007		2007-2008	
	Amount	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Development						
Individual Donors	104,510	55%	134,134	46%	124,228	38%
Major Donors ($1,000+)	62,500	33%	80,000	27%	100,000	31%
Businesses	19,141	10%	30,000	10%	50,000	15%
Grants	0	0%	50,000	17%	50,000	15%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	3,022	2%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Development	**189,173**	**100%**	**294,134**	**100%**	**324,228**	**100%**
Administration						
Individual Donors	8,644	14%	18,939	30%	2,731	4%
Major Donors ($1,000+)	0	0%	10,000	16%	10,000	16%
Businesses	0	0%	0	0%	0	0%
Grants	10,000	17%	35,000	55%	45,000	72%
Service, Youth and Faith Groups	6,000	10%	0	0%	5,000	8%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	2,055	3%	0	0%	0	0%
Reserve Buy Down	33,500	56%	0	0%	0	0%
Total Administration	**60,199**	**100%**	**63,939**	**100%**	**62,731**	**100%**
Tithe						
Individual Donors	18,000	53%	8,850	26%	8,850	26%
Major Donors ($1,000+)	10,000	30%	10,000	30%	10,000	30%
Businesses	5,850	17%	10,000	30%	10,000	30%
Grants	0	0%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	5,000	15%	5,000	15%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	0	0%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Tithe	**33,850**	**100%**	**33,850**	**100%**	**33,850**	**100%**

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SAMPLE FUNCTIONAL BUDGET (continued)

	2005-2006		2006-2007		2007-2008	
	Amount	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
Debt Repayment						
Individual Donors	0	0%	78,695	57%	164,896	72%
Major Donors ($1,000+)	0	0%	0	0%	0	0%
Businesses	0	0%	0	0%	0	0%
Grants	72,000	78%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	20,586	22%	60,000	43%	65,000	28%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Debt Repayment	**92,586**	**100%**	**138,695**	**100%**	**229,896**	**100%**
Operating Reserve						
Individual Donors	75,974	50%	53,000	68%	28,000	53%
Major Donors ($1,000+)	50,000	33%	0	0%	0	0%
Businesses	10,000	7%	10,000	13%	10,000	19%
Grants	0	0%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	17,026	11%	15,000	19%	15,000	28%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Operating Reserve	**153,000**	**100%**	**78,000**	**100%**	**53,000**	**100%**
Land Purchase Reserve						
Individual Donors	0	0%	0	0%	0	0%
Major Donors ($1,000+)	0	0%	0	0%	0	0%
Businesses	0	0%	0	0%	0	0%
Grants	48,000	100%	350,000	41%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	59%	350,000	100%
Fees and Earned Income	0	0%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Land Purchase Reserve	**48,000**	**100%**	**350,000**	**100%**	**350,000**	**100%**

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