

# **BUDGET MANAGEMENT FOR THE NON-PROFIT ORGANIZATION**

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Non-profit organizations rely on effective financial management that enables the leadership and the workforce to use the funds to the advantage of the population in need. Since non-profit organizations cannot generate substantial revenues without the support of the government, individual donors, and/or the community, all resources must be allocated and distributed to achieve benefits and outweigh the costs. In other words, the budget of the proposed program on domestic violence must address all needs and meet social outcomes to undergo substantial improvements, such as decreased time in jail and reduced number of domestic crimes. For example, creating a domestic violence program should focus on providing education to prevent people from resorting to violence in domestic conflict resolution. It is anticipated that the program would help the community to witness a decrease in violent domestic crimes and time in jail for domestic violence-related crimes.

Consequently, this paper provides the scope of the strategic plan, criteria for participants, the \$2-million budget details, and program evaluation for the domestic violence initiative to become an additional option to the current efforts of non-profit organizations. This program's financial management includes identifying managing directors and other employees responsible for its implementation. The budget should be formed based on the criteria for participants to ensure that the resources are invested effectively to recruit enough participants. The domestic violence program should have a budget type that satisfies the demands of multiple cost requirements. At the same time, an evaluation method guarantees that the leadership and the workforce implement the strategy correctly. The incorporation of budgeting in the overall strategic planning represents internal sound control (Golensky & Hager, 2020). The combination of managerial and non-managerial staff should contribute to the implementation of the strategic plan in its full scope to satisfy the needs of stakeholders recruited as participants. At the same time, the operational budget should cover the considerable expenses to make the program effective and enhanced using a sound assessment method that addresses tangible and intangible results.

## **THE SCOPE OF THE STRATEGIC PLAN**

Implementing the strategic plan depends on the commitment demonstrated by crucial employees. Specifically, the domestic violence program would benefit from the inclusion of the Chief Executive Officer (CEO), who would address the needs of the organizational strategy (Zietlow et al., 2018). The CEO would maintain the organization to focus on helping victims of domestic violence, which would become part of the corporate social responsibility that the organisation should possess (Hong, 2020). This senior manager is particularly important in implementing the strategy and the program at large.

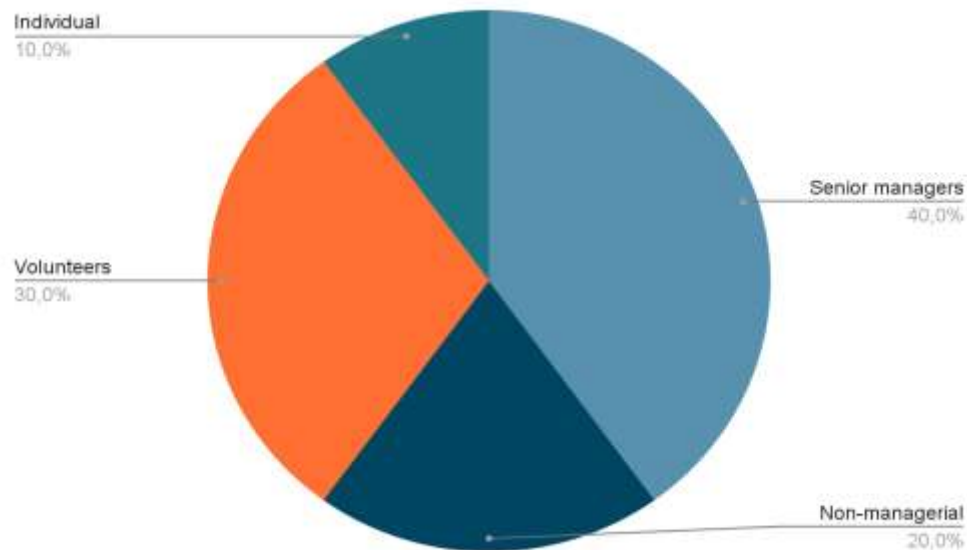
Additionally, the program on domestic violence should rely on the performances of the program manager and the marketing director. Whereas the program manager helps the CEO in financial matters, delivering the program to stakeholders simultaneously, the marketing director builds ties with stakeholders to guarantee that participants and the community have an awareness of the issue and solutions (Zietlow et al., 2018). Non-profit marketing endeavors to create engagement with stakeholders, which makes their role important (Mitchell & Clark, 2019). Apart from these professionals, other managerial positions have value for effectively incorporating the strategic plan.

The development director and the human resources officer would help the domestic violence program achieve its strategic scope needs. The development director has the functions associated with grant application writing and other fundraising opportunities, such as annual campaigns and the establishment of donor connections (Zietlow et al., 2018). Although the organization has a \$2 million grant, this position is important for future fundraising efforts to help the non-profit organization's operations in the long run.

Considering the human resources officer, this manager would be accountable for the smooth resolution of the questions among staff (Golensky & Hager, 2020). While the organization benefits from senior managers who control the implementation of the strategy, the non-profit enterprise has a special need for staff members.

Non-managerial staff members enhance the completion of the domestic violence program scope by filling in the gaps missed by managers and directors. Volunteers and individual contractors represent those missing links that improve the integration of the program into the community experience alongside the completion of multiple tasks. Volunteers are important to non-profit organizations because they represent uncompensated labor. At the same time, the enterprise might look for them by recruiting people who have a close emotional connection to the cause or by developing unpaid internship opportunities for college students to select (Zietlow et al., 2018). Considering independent contrs, they are important when the non-profit organization's existing staff lacks the expertise to perform certain duties. The chart below represents the importance of all stakeholders for the success of a non-profit organization.

**Figure 1**  
Nonprofit Stakeholders Ranking (Zietlow et al., 2018).



The proposed domestic violence program might benefit from developing a mobile application that would be part of participant education about domestic violence. Thus, the organization should hire an independent contractor who would develop the application.

## THE CRITERIA FOR PARTICIPANTS

Financial management at non-profit organization depends on the initiatives embraced by them, while programs themselves call for the recruitment of primary stakeholders as participants. Strategic planning in a non-profit organization entails the creation of value for stakeholders (Zietlow et al., 2018). At the same time, Mitchell and Clark (2019) warned that establishing inadequate relationships might result in poor stakeholder engagement. Based on this information, it is possible to state that the first imperative inclusion criterion to consider implies people living in the areas with the highest rates of violent domestic crimes. Identifying communities most affected by domestic violence provides the staff with information about the most suitable locations to target in marketing. Through research, the project identifies communities in the state with high levels of domestic violence compared to other areas. In the State of New York, Albany, Erie, Monroe, Nassau, Niagara, Oneida, Onondaga, Orange, Rensselaer, Schenectady, Suffolk, and Westchester are areas where domestic violence crimes exceeding 1,000 cases as opposed to other places that have significantly lower numbers (Division of Criminal Justice Services, 2022). The program would use its marketing actively in these counties. The same statistics illustrate that New York City is in particular need of such programs because of the extremely high number of victims of domestic violence.

Second, the domestic violence program would use the criteria of recruiting potential victims and perpetrators to attend educational programs. Surveys in the identified areas would identify the most likely participants based on their victim or perpetrator

profiles. The criteria would help to target this audience to dissuade perpetrators from committing violent actions and to persuade victims to seek help when they find themselves in abusive relationships. Although victims and perpetrators might come from different socio-economic contexts, educational levels, and other characteristics, studies show that men are more likely to use violent force against intimate female partners. At the same time, younger women are more likely to become victims than older women (Ghani et al., 2019). The same systematic review clarified that, often, victims and perpetrators share a race or ethnicity, though, typically, domestic violence occurs between partners of the opposite sex. Therefore, the criteria would include adult people of all races, ethnicities, and ages. Still, surveys of the population might help the program identify people most likely to undergo the educational program.

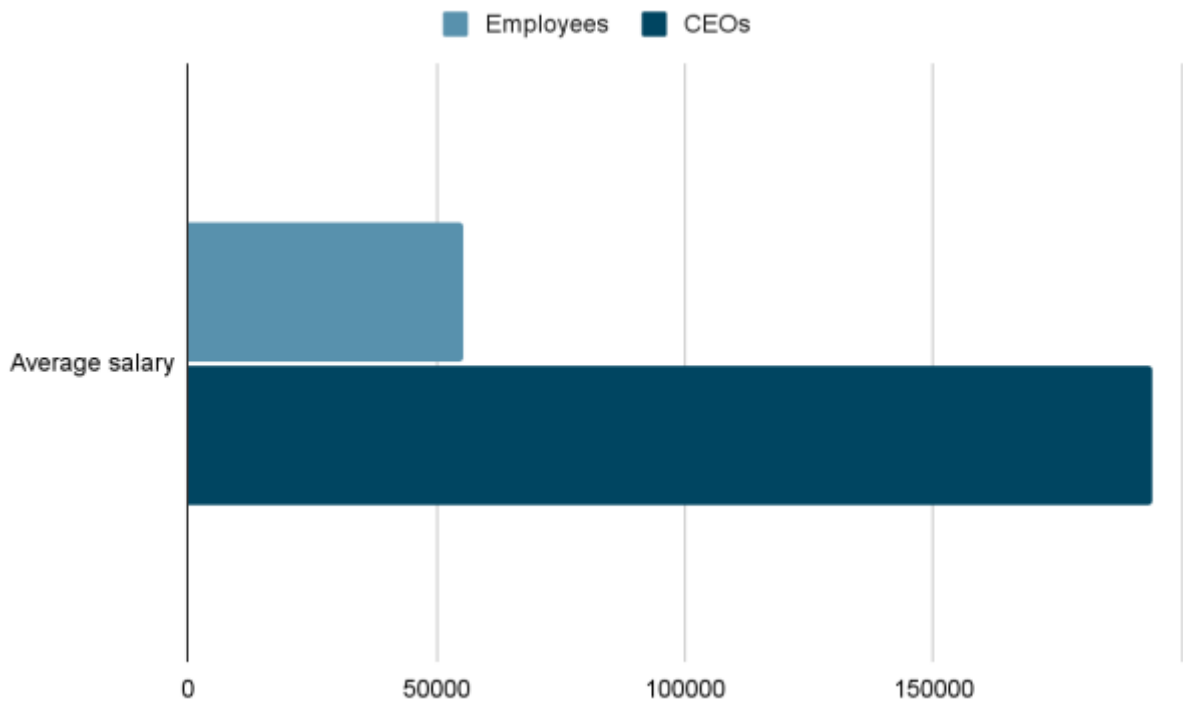
## BUDGET DETAILS

The organization should have a budget to create a plan for the first year of operation. An operating budget is a document with detailed planned revenues and expenses for a specific time frame (Golensky & Hager, 2020; Zietlow et al., 2018). This type of budget is a common practice for non-profit organizations to use as financial guidance for the program and to stakeholders' advantage. The operating budget should reflect income sources and expected expenses. While the grant is anticipated to be the only source of income for the year, expenses would be divided into multiple groups.

Personnel costs should reflect the average salaries of managers and non-managers. Volunteers and unpaid internships would reduce the pressure of compensation expenses (Zietlow et al., 2018). There is a considerable gap in the average salary of employees and CEOs of non-profit organizations, as shown in the chart below.

**Figure 2**

Average Salary of Employees and CEOs of Non-profit Organizations (Salary, n.d.).



According to the New York State Comptroller DiNapoli (2019), the average salary of non-profit employees was \$55,572, while non-profit CEOs earned a median of \$193,919 per year (Salary, n.d.). Thus, the proposed non-profit organization's CEO will earn around \$194,000, while the program manager, the marketing director, the development director, and the human resources officer will receive around \$56,000 each. Moreover, including a criminal justice mental health professional would require the non-profit organization to pay such a practitioner a median of \$48,520 (U.S. Bureau of Labor Statistics, 2021). The correctional counselor should receive around \$56,000. The individual contractor responsible for creating the website and the mobile application would receive compensation based on the signed agreement. According to WebFX (2022), on average, the web design and website maintenance costs are \$81,000 and \$30,000 per year, respectively, while SPD Load (2022) stated that the development of an average Android application requires \$300,000 and its iPhone counterpart would cost \$300,000.

Additionally, the non-profit organization would have to invest in transportation and locations. If the enterprise would hold monthly events for participants, it might use charter buses, which cost around \$1,400-\$1,800 (New York Charter Bus Company, n.d.). Therefore, twelve rentals for a single charter bus for a day would cost up to \$21,600. As for the non-profit headquarters, the organization should rent an office to provide employees with comfortable conditions to file paperwork, hold meetings, and assemble for further strategic planning. The minimum legally regulated housing space rent is \$1,986 in New York in 2022 (Office of Rent Administration, 2021). Thus, the organization would spend around \$24,000 per year. As the grant funds would ultimately end, the non-profit organization should hold fundraisers for future projects and use venues that would attract potential donors. According to the Mayor's Office of Citywide Event Coordination and Management (2018), venue rentals for the non-profit organization would cost an average of \$6,000. If the organization uses such venues four times in the coming year, the total for venue rental would amount to \$24,000.

Moreover, the budget should include educational and equipment expenses. The creation of video lectures would include cinematographers' and editors' fees, while guest speakers would become a flexible expense based on their expertise and contractual agreements. The estimated expense for training videos and lectures made throughout the year would be \$600,000. The remaining budget of around \$174,500 would include equipment, such as computers, a printer, and office supplies. The entirety of the estimated budget is presented in Table 1.

**Table 1**  
The Estimated Budget for the Domestic Violence Program.

<b>Expenses</b>	<b>Estimated Finances</b>
CEO's salary	\$194,000
Program manager's salary	\$56,000
Marketing director's salary	\$56,000
Development director's salary	\$56,000
Human resources officer's salary	\$56,000
Criminal justice mental health professional's salary	\$48,520
Correctional counselor's salary	\$56,000
Web design	\$81,000
Website maintenance	\$30,000
Android application	\$300,000
iPhone application	\$300,000
Charter bus transportation	\$21,600
Office rent	\$24,000
Venue rental	\$24,000
Creation of training videos and lectures	\$600,000
Equipment (computers, a printer, and office supplies)	\$96,880
<b>TOTAL:</b>	<b>\$2,000,000</b>

## PROGRAM EVALUATION

The evaluation of the progress and the correct use of resources should include a focus on tangible results. Adequate funding, expense control, revenue balance, and resources inventory are some approaches to ensure that the program uses sufficient funds without exceeding financial expectations (Zietlow et al., 2018). Tangible results are crucial to the organization's successful operation because the lack of resources might prove the entire initiative a failure, which would affect multiple stakeholders, such as employees, the government, participants, and the community. The definitive evaluation approach would be a statistical analysis that ensures that adequate funding, expense control, revenue balance, and resources inventory are updated throughout the domestic violence program.

Apart from this, the evaluation process should pay attention to intangible results. Intangible factors include the working environment, flexibility, and ethics/integrity (Zietlow et al., 2018). The use of questionnaires to get employees' insights into these aspects would give senior managers an understanding of what should be changed about the non-profit organization and program operation. McClure and Moore (2021) explained that rapport among non-profit workers is an important approach to stress release. Therefore, the organization should monitor the stress levels of its employees to make them most efficient and productive to aspire for the common cause.

## CONCLUSION

In conclusion, budgetary considerations are integral to managing the domestic violence program. The proposed program deals with domestic violence and should employ a CEO, a program manager, a marketing director, a development director, and a human resources officer. The sensitive problem tackled by the program requires the non-profit organization to recruit a criminal justice mental health professional and a correctional counselor. At the same time, other jobs might be filled by volunteers and individual contractors. Considering that the program targets vulnerable people, the initiative should be marketed in those areas that demonstrate the greatest number of domestic violence crimes. The operating budget of the domestic violence program includes various expenses ranging from compensation to transportation and equipment. Creating a sound evaluation plan is an important step in gauging tangible and intangible results.

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