

Budget Planning:

- **Operating budget** - All nonprofits should create annually. This is the budget that breaks down your annual projected revenue and expenses for the organization. It categorizes your revenue by different funding sources and your operating expenses by program and overhead costs.
- **Program budget:** If your organization is launching a new project or program, you may create a separate budget that covers the specific revenue you'll need and the expenses you expect to incur while launching the program. Be sure to consider both the one-time expenses involved with launching the program as well as those that you'll need to incorporate into your operating budget from year to year to maintain it.
- **Grant proposal budget:** When you apply for a grant, you may need to develop a budget describing how you will use the grant funds to advance your organization's mission.
- **Capital budget:** This budget projects the expenses and revenue associated with multi-year, long-term projects. It tends to cover your nonprofit's capital campaigns and other major expense campaigns.

Operating Budget

- The budget allows your organization to estimate your various sources of income and plan your expenses in order to create a plan for growth and advancement.
- Your budget helps you plan, make decisions, and adjust when things do go as planned.
- You should regularly review your budget and compare it to your current status throughout the fiscal year.
- The budget is also a tool to help understand your basic operating costs. This baseline can help you anticipate operational changes needed to support the organization.