CFC TRANSITION COUNCIL

#CFCv2

CAMPAIGN BUDGET SUBCOMMITTEE
APRIL 27, 2016
Membership

- Kathrene Hansen, Greater SoCal CFC
- Darcey Kendl, Greater Wisconsin CFC
- Lori Scharf, Intermountain CFC
- Linda Siegle, Chesapeake Bay Area CFC
- Curtis Rumbaugh, OPM/DoD
- Keith Willingham, OPM
Key Assignment

• Develop budget standards and guidelines that will be applied across all campaigns

• Recommend methodology for establishing budgets for each of the new CFC zones
The New Regulations:

- Allow the LFCC to decide how to spend its allotted budget
- Sets a budgetary cap for each zone
- Remove cash contributions
- Will eliminate paper processes after 2021
- Allows OCs to Charge a Flat Fee
Where We Are

(Based on 2014 CFC Results)

- 151 Campaign Regions
- $26,078,418 in Campaign Expenses
- 13.5% Expense Rate
Where We Are in 2016
Where We Are Going
Factors for Consideration

- Actual 2012 and 2013 Expense Data
- Compilation of all Data Within a New Zone
- Cost of Living
- Travel Costs Based on Size and Geography of Zone
- OC Responsibilities are Different from PCFO Responsibilities
## Review of Campaign Budgets

<table>
<thead>
<tr>
<th>Continuing Expenses</th>
<th>Possible Expenses</th>
<th>Eliminated Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>Incentive Items</td>
<td>Local Campaign Audits</td>
</tr>
<tr>
<td>Marketing</td>
<td>Marketing</td>
<td>Administration of Local Charity Applications</td>
</tr>
<tr>
<td>Local Travel</td>
<td>National Training Travel</td>
<td>Bank Fees/ PCFO Insurance</td>
</tr>
<tr>
<td>Awards/Events</td>
<td>Awards</td>
<td>Pledge Processing</td>
</tr>
<tr>
<td>Rent/Utilities</td>
<td></td>
<td>Website Maintenance</td>
</tr>
<tr>
<td>Charity List/ Pledge Form Printing</td>
<td></td>
<td>Inventory Maintenance</td>
</tr>
</tbody>
</table>
Data Review

Based on 2013 Expenses Reported by PCFOs

- Cost Per Employee: $0.74 - $25.00
- Cost Per Donor: $1.76 - $166.84
- Budget Range: $3,725 - $4.3M
- Average Overhead Rate: 13.5%
- Median Overhead Rate: 19.1%
Transition Council Survey

- Actual Expenses Charged by PCFOs in 2012.
- Found Savings Ranging from 16.7% to 73.5%
  - Average Response = 44.3%
- Variations on a Theme
  - “Marketing” versus “Campaign Supplies”
  - “Travel” versus “Training Expenses”
  - “Training” versus “Staff Development”
  - “Recognition” versus “Marketing”
  - “PCFO Fee” versus “Salaries”
  - “Special Initiatives”
## Crunching the Numbers

<table>
<thead>
<tr>
<th></th>
<th>.74 per Capita</th>
<th>$3.73 per Capita</th>
<th>$25.41 per Capita</th>
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</thead>
<tbody>
<tr>
<td>2.6% Overhead</td>
<td>6.5% Overhead</td>
<td>14.5% Overhead</td>
<td></td>
</tr>
<tr>
<td>12.8% Participation</td>
<td>13.4% Participation</td>
<td>56% Participation</td>
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<tr>
<td>$1 raised $39.41</td>
<td>$1 raised $15.44</td>
<td>$1 raised $6.88</td>
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</tr>
<tr>
<td>Spent $5.79 per donor</td>
<td>Spent $27.83 per donor</td>
<td>Spent $45.46 per donor</td>
<td></td>
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</tbody>
</table>

### Campaign Totals

- **Average Cost per Capita** - $7.00
- **Total Campaign Overhead** – 10.9%
- **Overall Participation** – 20.9%
- **Overall - $1 Raised** $9.16
- **Average Donor Gift** - $304.50
- **Average Cost per Donor** - $33.28
Next Steps

- Coordinate with Outreach Coordinator Subcommittee
- Revise Estimates Based on Latest 1417 Submissions
- Submit Proposed Budget Formula to Transition Council and OPM
- OPM Releases Caps
Questions & Suggestions?