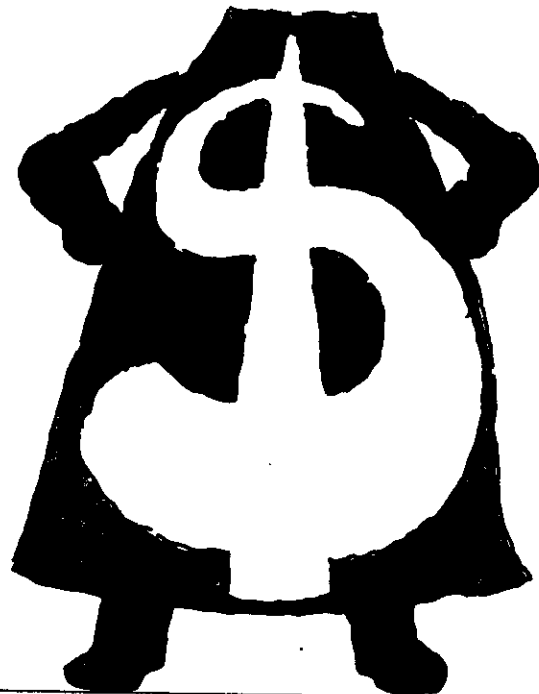


The *No-Apologies* Budget

How to Justify the Financial Support a Volunteer Program Deserves

By G. Neil Karn



INADEQUATE OFFICE SPACE, second-hand equipment, insufficient office supplies, no travel funds for mileage reimbursement, a volunteer recognition banquet featuring meatless spaghetti on paper plates in the high school cafeteria, no funds for travel to an out-of-town conference. Sound familiar? This is certainly the scenario in many volunteer programs, yet it doesn't have to be this way.

Why is it that volunteers, who give so freely and unselfishly of their time and talents, are also expected to pay for their own gasoline, supply their own typewriter, forego any protections that liability insurance affords, and miraculously produce the art supplies for the crafts workshops?

Why is it that because we do not have to budget for the salaries of volunteers we cannot budget for operating expenses? A double standard applies

Neil Karn is the director of the Virginia Division of Volunteerism. His last article in VAL was on the rights and responsibilities of the nonprofit board member (winter 1983).

when administrators refuse to loosen the purse strings to support a volunteer program, yet they routinely budget for administrative overhead for programs run by paid staff.

Changing such situations begins with a change in attitude by the volunteer leaders. Long accustomed to getting along on a shoestring budget, we too often collude with the double standard by not even putting forth a reasonable budget request. In the words of Pogo, "We have met the enemy, and he is us."

It may even call for some soul-searching. Ask yourself, "Do I really believe in my heart of hearts that I'm the manager of a component of this organization that is as important as any other?" "Am I being an advocate?" "Am I fighting for the respect and support that the volunteer program and I deserve?" Self-image is everything. Remember Spiegel's Napoleonic maxim, "You can't lead a cavalry charge if you think you look funny on a horse!" Believe in your program. Believe in yourself. Be aggressive. Be bold. Be unapologetic.

But you should not go into battle armed with courage and moxie alone.

You will need some other weapons. After the attitude check, try the following process. The four steps are concrete strategies for justifying the level of financial support a volunteer program deserves.

1. Be prepared to demonstrate the level of overhead invested in parallel programs run with paid staff. It is a useful exercise to analyze a standard budget for any helping agency. In contrast to the administrative support usually allocated to volunteer programs, decision-makers figuratively back a truck up to the bank vault and pour in the funds for overhead for programs run with paid staff. You can demonstrate this by extracting the salaries of the staff who perform a direct service to clients. *The rest of any budget is all overhead!*

The service workers have supervisors and may even work for a hierarchy of managers, which may include unit supervisors, bureau or section chiefs, and directors and deputy directors. There is always some sort of clerical support, a finance and payroll section, and probably some form of personnel function. Some agencies also have staff for plan-

ning and budgeting, fund development, public relations, and perhaps a training unit. When you add in office equipment and maintenance, space rental and/or retirement of capital obligations, insurance, building maintenance, janitorial services, office supplies, postage, telephone and travel funds, you begin to appreciate that the overhead of a standard helping agency can run anywhere from 50 to 400 percent of the salaries of the people who perform direct service! (See box for formula.)

Come equipped with these figures to a budget conference and more than a few eyebrows will be raised. The context for your budget request has been set.

2. Brainstorm the "perks" that can make volunteering with your agency special.

Volunteering should not penalize people financially; at a minimum, there should be a sufficient budget to reimburse volunteers for all out-of-pocket expenses. Some far-sighted programs go even further and add a few perks. At a metropolitan hospital in Virginia, for example, the volunteers all park in the premium pay lot directly in front of the facility. They walk in the front door and get their parking tickets stamped for the duration of their stay. The paid staff? They park in the satellite lot and take a shuttle bus.

Another agency bordering on a university solved its parking problems for a new volunteer program this way: Like many college towns, student cars overran the campus, and parking was at a premium. The agency lot was inadequate for the needs of the paid staff, who each day jockeyed for available spaces and routinely blocked each other in. When the prospect of adding a volunteer component was presented, an obvious barrier was parking.

The solution? A long-term municipal lot offering metered parking was adjacent to the agency's offices where the volunteers were told to park. Each Monday morning the receptionist was equipped with two rolls of dimes to hand

out to volunteers as they walked in the door. Two philosophies prevailed with this approach. One, the volunteers were not to be burdened with cumbersome accounting procedures. They simply initiated a chit for what they took. Two, the idea was not to hoard the dimes but to give them away to the point that the receptionist chased volunteers down the hallway with a cheery, "Hey, you forgot your dimes for your meter!" Imagine what a positive climate for volunteering this created in the agency.

You can achieve the same result by conducting an audit of your agency's environment for volunteering. Be particularly alert to barriers. Do you have sufficient office space? Is it attractive and well equipped? Will it cost your volunteers to park? On the basis of your assessment, prepare a proposal for creative ways to remedy the situation. Cost out the strategy and set the options in priority order in terms of cost effectiveness and program impact.

Then go an extra step. Brainstorm the special touches that could make your program particularly attractive to volunteers. A museum in Virginia thought it needed more security guards for its galleries. Upon reflection, officials realized that at no time in recent memory had a guard been forced to pull a revolver on a patron who was fingering a Rembrandt. What was really needed was the occasional reminder to children to look but not touch. The museum opted for a program of volunteer gallery hosts, equipping them with attractive blazers and offering them lunch in the members' dining room if they worked a specified shift.

When you have assembled your list of perks, analyze them for cost effectiveness and potential program impact. Opt for the special touches that promise to return the most for the investment and add them to the first list of support necessary to offset the costs of volunteering to the volunteers. Assemble a total proposal in a businesslike format that specifically costs out each support request;

for example, five lunches a day in the cafeteria at \$3.50 a day equals... and so on.

You can imagine how well such a display budget requesting \$5,800 in administrative and material support for a volunteer program might be received by most decision-makers. But when you illustrate that this supports the equivalent of 10.5 full-time staff, it is very reasonable indeed. In fact, it is a bargain. No need to make apologies.

3. Augment your financial proposal with a display budget that emphasizes the number of volunteers for which you are legitimately requesting support.

Budgeting science increasingly emphasizes allocating resources in proportion to staff being supported. Many budgeting systems have formulas as specific as recommended square footage of office space per employee or the amount to budget for consumption of office supplies per staff member. These formulas frequently operate on the basis of FTE (full-time equivalent) positions.

Volunteer directors can put these recognized systems to their advantage by translating their cumulative volunteer hours into equivalent man years and geographically depicting the level of volunteer staffing for which they are requesting administrative support.

The boxed example shows how a respite care program serving a local department of social services in a rural area might depict its budget request.

4. Finally, if upon review of your no-apologies budget request, your top administrators still believe your agency cannot afford what you are asking, encourage a holistic view of the way funds are currently expended.

They may find they cannot afford not to fund you.

Most managers feel locked in by their budgets. This era of static resources has forced them to think, "There's no new money...there are no additional funds for new programs...there's not the least bit of slack in the budget document

FORMULA

$$\begin{array}{rclclcl} \text{Total Budget} & \text{minus} & \text{Salaries of Staff Who Directly Deliver Services} & \text{or} & \text{All Other Operating Costs Including Supervisory Costs} & = & \text{Administrative Overhead \%} \\ \hline \text{Salaries of Staff Who Directly Deliver Services} & & & & \text{Salaries of Staff Who Directly Deliver Services} & & \end{array}$$

MODEL BUDGET FOR A RESPITE CARE PROGRAM

Salaries and Fringe Benefits

Family Service Worker (1/4 time)	0.25 FTE	(\$14,800/year)	\$3,700
6 Site Supervisors (12 hrs/week)	1.80 FTE	(donated)	-0-
48 Respite Care Workers (6 hrs/week)	7.20 FTE	(donated)	-0-
12 Drivers (5 hrs/week)	1.00 FTE	(donated)	-0-
4 Mom's Club Coordinators (20 hrs/month)	0.50 FTE	(donated)	-0-
		Total/Personnel	\$3,700

Consultant & Special Services

Trainers (state univ. soc. work faculty)		(donated)	-0-
Cooks (public schools)		(donated)	-0-
Cosmetologists (beauty school for Mom's Day Out)		(donated)	-0-

Travel

County Vehicle (800 mi/month x 20 cents/mile x 12 months)			\$1,920
---	--	--	---------

Operating Costs

Meals (\$120/week x 39 weeks—public schools)		(donated)	-0-
Rent (2 community centers)		(donated)	-0-
Office Supplies			300
Training Materials/Refreshments			\$1,200
Volunteer Recognition Materials & Annual Banquet			\$1,000
Volunteer Insurance			\$ 250
Training Tuition (for seminars/conferences)			\$ 400
Promotional Brochures			\$ 250
Reproduction			\$ 480
		Total Operating/Travel Budget	\$5,800

TOTAL BUDGET \$9,500

...show me where the funds will come from." This is a business-as-usual way of allocating resources and assumes that we will maintain this same level of effort.

In the holistic view, the manager thinks, "I may not have all the funds I would like to have, *but I do have every dollar assigned to me and my job is to get the most out of every single one.*" The far-sighted manager analyzes what it costs to provide a service or to perform an activity—the total cost. For example, it costs an agency \$25 for a social worker to spend two hours taking a client to a doctor. A two-hour staff meeting with eight people in attendance costs an average agency in excess of \$200. Ever come home at the end of a day and say, "What a waste—missed appointments, delays waiting for the agency car to be

fixed, unreturned telephone calls"? You are right. Your wasted day cost your agency \$80-\$100.

The short-sighted managers economize by counting pencils and paper clips and limiting the photocopying bill. The far-sighted, holistic managers economize by analyzing where the money goes and costing out the way business is done. They fix a real price to every unit of service delivered and compare alternative ways of achieving the same results. Given a correctly calculated comparison, most managers invariably conclude that one of the most efficient uses of funds is for staff and material support of volunteers.

Think you don't have funds for dimes for your volunteers' parking meters? Those two rolls of dimes in the university

town example cost the agency \$10 a week. That's about the cost of having a secretary re-type a single letter.

Final Thoughts

There you have it: a system for boldly, yet legitimately, constructing a defensible budget for a volunteer program. Hesitant to proceed? Afraid to rock the boat? Ask yourself why. Your apprehensions may be self-imposed. Remember, you have an obligation to yourself and your volunteers to advocate for what is justly yours. The volunteer director with the no-apologies approach proudly instructs her volunteers, "March down the hallway. Go straight to the supply cabinet and get some legal pads and pens. And while you're there, if you see anything else you need, help yourself!"