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| 1. **NAME** of the resource / tool | **Developing Budget Monitoring Guidelines - Key Questions** |
| 1. **WHAT** is the purpose of the resource / tool? | This document is designed to serve as guide for defining guidelines/bylaws that support effective budget monitoring practices. It includes questions that will help group members identify:   * Identify requisite background information * Define clear expectations for budget tracking and reporting, including review practices. * Determine how best to keep group members informed about status of budgets. * Establish processes for modifying budgets. |
| 1. **WHO** developed the resource / tool? (If it was adapted from an existing document, please include a citation for the original source.) | Kara Coleman with input from Best Start Compton-East Compton Governance Work Group members (to support continuing bylaws development). |
| 1. **HOW** should the resource / tool be used? 2. *What circumstances are ideal/appropriate?* 3. *By whom and when?* 4. *Is a particular skill set or special preparation needed?* | These guidelines are most applicable to community groups that are responsible for managing funds and developing budgets to effectively support their ongoing activities.  They’re meant to be utilized by decision making bodies that help manage allocated funds and/or develop governance policies.  Recommended Preparation: Provision of a general budget overview and introductory review of standard/existing reporting documents. |
| 1. **WHY** is this resource being recommended? (What makes is especially effective or useful for community-based work?) | Effective financial stewardship requires the establishment of a clear, transparent process for tracking and assessing the use of funds to support community change initiatives. Well-established monitoring systems provide an opportunity to continually assess if expectations regarding the use of funds are being met or if adjustments/modifications should be made to better support agreed upon goals. |

1. **What background information is needed in order to effectively monitor and manage budgeted funds?**

* What would be helpful to know before reviewing financial reports?

*Examples*

* *What are short- and long-term our goals?*
* *What are our anticipated expenses (based on past spending, current goals or future commitments)?*
* *How much should be saved for unknown expenses or opportunities?*

1. **What information should be included in budget tracking reports?**

* Current budget tracking sheets for Communications and Training include:
  + Total budget balance
  + Total starting budget
  + Total amount spent
  + Percentage (%) of budget spent
  + Brief description of individual expenses with invoicing dates
* What, if any, other information would be helpful?
  + *Example: Including the amount budgeted and actual amount spent for each expense.*
* Should any budget categories or line items be outlined in greater detail? If yes, how?

1. **When should each the following budgets be developed and/or reviewed? By whom? (Please modify the below list as needed.)**
2. Overall budget
3. Programming budget
4. Communications (sponsorships, marketing, collaterals, communications training)
5. Training and Technical Assistance (workshops, conferences, consultation, coaching, meeting costs)
6. Special events and convenings
7. Other budget items?
8. **What are the best ways to keep members informed about the operating budgets?**

* When and how should budget updates be shared?
* What information should be included in general budget updates?

1. **What steps should be followed to modify or update existing budgets?**

* What reasons would be acceptable for requesting a modification?
* What approval process should be followed?