

GPUS 2014 BUDGET EXPENSE NARRATIVE

I. INTRODUCTION

The 2014 budget is a very stringent financial plan. In line with the Income Narrative's revenue projection, significant cuts have been made to committee budget requests. Our primary goals for 2014 are reduction, or outright elimination of all GPUS debt, maintaining our basic support operations, initiating some outreach work, and providing at least some funds for the political work of the Party in the upcoming mid-term election year.

This budget does not allow for any addition to the reserve fund. Adding at least \$1,000/month to the reserve account balance every month is an important future goal, to be achieved as soon as fundraising warrants. But, in the short term, paying off the balance of our internal debt is our first priority.

This year we are allowing for some committee self-funding efforts that have been volunteered by various committees. Please note the itemized revenues by committee at the bottom of the budget document. This total is then carried to line 19 in the income section. These self-funding amounts are included in the line item expense for each committee.

We have also introduced a two-tiered budget. Revenue projections for 2014 represent only a very modest increase over the estimated 2013 actual amounts. If our fundraising should exceed the Tier One amounts we will be able to consider Tier Two funding according to this plan. Owing to the very conservative increase in 2014 revenue over 2013 results, this could well be the first year that we beat the budget in the last decade.

The following sections explain the major expenditure items or groups in the budget, working down from the top of the budget document to the bottom. We also have provided line item descriptions/explanations in this year's budget document for ease of understanding the various line items as you review the budget.

II. FUNDRAISING COSTS - \$94,780

The salary for the fundraiser is budgeted to increase in the second half of the year, but that is intended for more time devoted to the work for the same pay rate.

In mid-2013 we began pruning our mailing list, working toward more efficient cost/benefit results. In 2014 we will continue to carefully select our mailing counts, expecting an even better return on investment. This change accounts for the decrease in printing and mailing costs over 2013.

All other fundraising costs are projected to be the same or a little less than last year, with the exception of the cost of merchandise sold and the postage for shipping, due to the projected increase in merchandise sales. Cost of merchandise sold is calculated at 50% of retail and 90% of bulk sales

Miscellaneous fundraising costs include the costs for the ANM fundraiser event, and the cost of the premiums/gifts for a donor recognition program that the fundraising committee has been working on this year. We expect this to be implemented in early 2014.

III. ELECTORAL POLITICS - \$12,000

The Ballot Access committee requested over \$50,000 for 2014. We were only able to allocate \$5,000. Everyone would like to dedicate more funds to this effort, but fundraising efforts will have to increase significantly for us to be able to do that.

Candidate Support is budgeted for \$4,500 in this mid-term election year. Campaign Schools get \$2,500.

IV. ORGANIZING AND OUTREACH - \$31,160

The Media Coordinator's salary request is a nominal \$100/month increase for 2014. The medical insurance policy has gone up slightly as of October, 2013.

The media line items total only a slight increase from 2013.

The Outreach section more than doubles from 2013, reflecting restarting of that committee and the initiatives outlined in the strategic plan, though this increase still totals less than \$5,000.

V. GOVERNANCE - \$17,000

The Steering Committee budget of \$4,000 is for Steering Committee travel to in-person meetings during the year, primarily the ANM.

The Annual National Meeting budget in this mid-term election year is estimated at \$10,000. In any ANM budget, budgeted expenses are to be equal to or less than the budgeted income. The amount currently budgeted for 2014 under revenue and under expenses is a placeholder number, pending passage later by the National Committee of a specific ANM proposal including a budget.

The International Committee is budgeted for dues to the Global Greens international organization, and for the FPVA in tier two. GPUS representatives travel expense to international meetings is from self-funding.

The Steering Committee decided to remove the legal expense from the budget and make a special budget adjustment if a matter arises that requires legal costs to be incurred.

VI. SUPPORT AND SERVICES - \$93,932

Support and services covers the minimal staffing, technology infrastructure, office overhead, and supplies required to support the work of committees and volunteers to keep our political organization operating.

The Office Manager salary will remain the same as last year, except for the unavoidable increase in the medical insurance contract.

The website manager has been given a modest raise to \$17.50 per hour.

In 2010 the GPUS discontinued the accounting contractor position for one year as part of a cost-cutting measure, with the office manager “temporarily” taking over the FEC filings. In 2011 and again in 2012 and 2013, it was proposed that a new accountant be retained and that the office manager continue to do the FEC filings until the new accountant had updated the uncompleted and delinquent accounting work. Funding shortages precluded that from happening. We are planning to engage an accountant as an independent contractor late in 2014 to begin the difficult work of catching up on, and carefully reconciling, several years of accounting work that remains to be completed.

We are in the third and final year of our DC office lease agreement. We have been in negotiations with the landlord for renewal. The rent will go up \$50/month in May of 2014. There is ongoing discussion with the landlord of moving to a smaller office in the same building, or sharing the office with a co-tenant to reduce the cost.

The rest of the overhead costs are essentially the same as last year. IT Development is increased mostly by committee self fundraising for further website upgrades. Postage is expected to go up in 2014. Insurance always creeps up slightly.

VII. INTERNAL DEBT REPAYMENTS - \$12,061.

Line 45 shows the goals for repaying state sharing in full by the end of 2014 if we reach Tier Two fundraising success.

Line 110 shows the loan repayment for 2013 and 2014, leaving only \$3000 of unpaid loans.

VIII. RESERVE FUNDS.

The full amount of restricted funds owed to caucuses and committees has been placed in the reserve account for the last two years. It is available for disbursement requests. Rebuilding the reserve fund is an important future goal after the balance of internal debt has been repaid.

Respectfully submitted by your Steering Committee with the endorsement of the Finance Committee.