

GPUS 2013 BUDGET EXPENSE NARRATIVE

I. INTRODUCTION

Total GPUS internal and external debt exceeded \$92,000 at the end of 2009, but just over \$22,000 at the end of 2011. In the teeth of the worst recession since the depression of the 1930's, and with the loss of key personnel, we have survived to resume thriving in 2012. Credit is due to those who have dug deep to donate in tough times, to individuals who have forgiven loans, and to states that have forgiven state sharing.

In 2012 we completed repayment of 2008 state sharing, but added \$11,000 in loans from Greens for ballot access work, then reduced overall debt by \$10,000 later in the year, to end up with a little over \$23,000 owing. In 2013 we intend to repay the balance of the loans and the 2009 state sharing. The remaining 2010 and 2011 state sharing may not be paid until 2014, but if we exceed the very modest goals in the 2013 budget, this will be a top priority.

This is a very stringent budget for 2013. Significant cuts have been made from committee budget requests and from the level of the 2012 budget. The primary goals for 2013 are reducing and/or eliminating GPUS debt, maintaining our minimal supporting operations, and providing some funds for the political work of the Party in the upcoming off-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 will be an important goal in the future as soon as fund raising warrants, though for the short term, paying off the balance of our internal debt is our first goal

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.

II. FUNDRAISING COSTS - \$110,680

There is no increase in fundraising staff costs for 2013.

Our mailings in 2012 have been about 10,500 each. In 2013 we expect to average 14,000 pieces due to the Stein campaign giving us their donor database. This accounts for the increase in printing and mailing costs over 2012.

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 are the cost of the premiums/gifts for a donor recognition program that the fundraising committee has been working on this year and expects to implement in early 2013.

III. ELECTORAL POLITICS - \$13,500

The Ballot Access committee requested over \$50,000 for 2013, but is only allocated \$10,000. 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 \$2,000 in this off election year. Campaign Schools get \$1,500 to go along with the self funding that the CCC plans for that effort.

IV. ORGANIZING AND OUTREACH - \$24,726

The Media Coordinator salary continues with no increase in 2013, though the medical insurance policy goes up slightly.

Gebbie Press reduced their subscription price from \$495 to \$300 for their online media directory service. The other media expense line is for the Skype annual fee, media committee utilities for communications, and \$500 to begin a Facebook advertising initiative. This is a pay for click program that is expected to recruit new Greens and donors.

The rest of the line items in this section are somewhat reduced from 2012 budget levels.

V. GOVERNANCE - \$26,500

The Steering Committee budget of \$4,500 is for Steering Committee travel to in-person meetings during the year, primarily the ANM.

The Annual National Meeting budget in this off election year is estimated at \$20,000. In any ANM budget, and by definition, budgeted expenses are to be equal to or less than the budgeted income. The amount currently budgeted for 2013 under revenue and under expenses is a placeholder number, pending passage later by the National Committee of a specific ANM proposal including a budget. An additional \$1,000 for diversity scholarships is located in the Organizing and Outreach section of the budget.

The International Committee is budgeted at \$500 for dues to the international organization and \$1,500 for GPUS representatives to travel to annual international meetings. This is an increase from last year, but far less than the IC requested.

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 - \$97,686.

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

The Office Manager salary will remain at the same as last year except for the annual increase in the medical insurance contract. Due to budget constraints, the office assistant position planned, but not instituted in 2012 is removed from the 2013 budget.

The contractor who manages our website (and does other IT work for the party) has been receiving the same low payment of \$600/month for six years, while the workload has increased. He has been awarded an increase of \$100 per month for 2013. He also was awarded a separate contract in 2012 to completely rebuild the GPUS website, for which he received \$2500 in 2012, and will receive the remaining balance of \$2500 upon completion in 2013.

In 2010 the GPUS discontinued the accounting contractor position for one year as part of a cost-cutting measure, with the office manager taking over the FEC filings. In 2011 and again in 2012 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 completed the accounting for 2010 and 2011. Funding shortages precluded that from happening. We are planning to engage an accountant as an independent contractor in 2013 to begin the difficult work of catching up on, and carefully reconciling, three years of accounting work that has not been done.

We are approaching the third and final year of our current lease agreement for the DC office. The rent will go up \$50/month in May of 2013. The electric utility will be increasing slightly as well.

The rest of the overhead costs are essentially the same as last year. IT Development is reduced to just \$850, mostly for a new printer in the office. Postage is expected to go up in 2013. Insurance always creeps up a little.

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

In June, 2012 GPUS accepted loans from Greens in the amount of \$11,000 that were restricted to be used for ballot access work. The terms of those loans were to repay them when we could, and to make any repayments alternating equally between state sharing and loans. It is expected that by the time the NC is deliberating on this budget, that \$10,000 will have been repaid, roughly half on loans and half on 2009 state sharing. The 2013 budget will repay the remaining balance of the loans and the 2009 state sharing. The 2010-2011 state sharing will be paid in 2014 or after these planned debt repayments have been completed.

VIII. RESERVE FUNDS.

The full amount of restricted funds owed to caucuses and committees has been placed in the reserve account and is available for requests for disbursement. 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 support of the Finance Committee.