

# 8 chapter

## Budgets, Funding & Sustainability

*"I may not be what you might call a computer expert, but I have used the PC to change my life in a positive fashion. It has been a bridge to the past and to the future for me, and my friends. If I can do it anyone can."*

*Ellen Wood, as submitted by Craigmillar Community Information Service (CCIS),  
Edinburgh, Scotland, <http://www.ccis.org.uk>*

### Introduction

Finally the chapter you've been waiting for... how to find money to start and operate the CTC. Sorry, there is no magic formula. There is no guaranteed source of funding. But every CTCNet affiliate center is testament to the fact that it can be done, and every affiliate will have suggestions about how your Steering Committee should proceed.

First comes the budgeting process. This must have two parts: funds needed for start-up, and funds needed for operation.

- **A start-up budget** details the one-time costs of setting up the CTC and the sources of funds that will be used to cover these costs.
- **An operating budget** details the ongoing costs of operating the CTC and the likely sources of funds that will be used to meet these costs.

In formulating the budget, the Steering Committee should start with its "ideal". It should then look carefully at the various sources of revenue available to the CTC. The ideal in budgeted expenses may have to be revisited and some compromises made if the gap between expenses and reasonably expected revenue is too high. It should also be noted that there are funding sources available to individuals and families to provide assistive technology as appropriate.

It will be highly advantageous to use spreadsheet software for the work of this chapter. Not only will a spreadsheet make the task somewhat less laborious, but it will provide an electronic record and template for recording "Budget vs. Actuals" during the year in

preparation for developing the following year's budget. Exhibit 8-1 is provided on CTCNet's Web site (<http://www.ctcnet.org/ex8-1.xls>) as a prototype worksheet on for projecting expenses; Exhibit 8-2 (<http://www.ctcnet.org/ex8-2.xls>) provides a prototype for examining sources of income. This chapter will explore each exhibit in-depth followed by an examination of potential sources of revenue and aspects of proposal writing.

## First Steps

Download Exhibit 8-1 from the CTCNet Web Site to set up a spreadsheet worksheet for your CTC. You will need only the column headings and the list of line items at the left to start with. The following sections of the budgeting part of this chapter will take you through the categories and suggest formulas that can be entered in appropriate columns. [Alternatively, make several copies of Exhibit 8-1, and use pencil and a hand-held calculator.]

You will note, on the worksheet, a right hand section labelled "Income Sources." For the moment, these include only three columns: In-kind Start-up, In-kind Monthly and an "Other" column where you make notes about special funding sources.

The In-kind income columns are extremely important. Your CTC will inevitably depend to some extent on contributed services or goods. In each case where you have a pledged contributor or anticipate volunteered services, you will be making a matching pair of entries in the spreadsheet, one under expenses and one under income. The result is:

- a more realistic budget (you'd have to purchase these goods or services if they weren't contributed)
- evidence of support (funders being approached for grants and/or dollar contributions will be impressed that you already have substantial support)
- a leg up on your income/revenue planning (see Exhibit 8-2: Income Projection Worksheet)

## A Word about Start-up Expenses

Start-up expenses include the cost of getting everything ready before you actually open the CTC. There are two kinds of start-up expenses:

- Capital expenses and one-time expenditures such as renovations to the space, purchase of office equipment, furniture and furnishings, and utility deposits as required by utility companies such as electric, heat, phone, etc.

- Expenses that will continue through for the life of the CTC such as salaries and benefits, professional fees, space and utilities, equipment maintenance and replacement, software and computer supplies, promotion & outreach expenses, telecommunications costs, educational materials, and miscellaneous others.

The cost of hardware can be assigned to either category. If you are planning to acquire all of the hardware before opening the CTC, cost is a capital expense, and operating expense is limited to equipment maintenance and replacement. On the other hand, you may be planning to start with a small number of computer systems and peripherals and add as demand and resources indicate. In such a situation, it makes sense to consider hardware purchases among the on-going expenses.

On the worksheet, you will see a column headed “Start-up Amt.” As you work through the spreadsheet, section by section, you will enter appropriate expenditures in that column. When you have completed the entire worksheet, you will have a start-up budget as well as monthly operating amounts to be entered into the final model.

## The Expense Projection Worksheet: Section by Section

### Personnel

This section has four sub-sections: Salaried persons, hourly employees, benefits, and professional fees (on which no benefits are paid).

It is extremely important to include, in the list, all anticipated volunteer assistance. Volunteer services are important in-kind contributions. You probably couldn't operate your center without them so they must appear in your budget. As noted above, whenever you enter an expense representing volunteer services, you will immediately post the same total for each on the income side in the appropriate In-Kind column.

#### *Salaried*

First, the formulas:

Under “monthly” (cell G5 in the model), write a formula (e.g.,  $E5 \cdot K5 / 12$ ) that multiplies the annual base by the percent of time and divides the result by 12. Copy that formula down the column for all salaried employees (lines 5-8 in the model).

Use a sum function to total the “monthly” and “start-up” columns on the line following the arrows (line 9 in the model).

Second, enter the information for each employee: name, position, % of time, annual base salary. The formula previously entered will provide the entry under “monthly”.

Third, if that employee is to be hired before the center is in operation (as is likely with either the Center Director or the Outreach Coordinator), determine from your timetable (see documentation for Chapter 1) the number of months assignable to startup. In the “Start-up” column, enter a formula taking the monthly amount and multiplying by the number of months the person will be employed before start-up.

Example: The Center Director will be employed for two months before the CTC opens. The Outreach Director will work 20% time for the same period.

Salaried	Position	% Time	Annual base	Monthly	Start-up
Dale K	Center Director	100%	\$27,00	\$2,250	\$4,500
Lou M	Outreach Director	20%	\$24,000	\$400	\$800

### Hourly

Here you will enter data regarding people who work on an hourly basis. These may be teaching assistants, part-time receptionists, clerical personnel, janitorial personnel, or other. It is likely that you will include here your regular volunteers in whatever category of service.

Your “monthly” formula (column G) will multiply the # of hours by the hourly rate. You will have to estimate the number of hours in a month (you can use 21 working days per month, or 4.2 working weeks to help you out). Again, you’ll want to put a sum formula at the bottom of both monthly and start-up columns.

Example: A part-time receptionist will be employed for 10 hours each week and will come in for two hours of training before the CTC opens. Line 12 in the model will show:

Hourly	Job	#Reg hrs	Rate	Monthly	Start-up Amt
Chris C	Reception	42	\$6	\$252	\$12

***Fringe benefits***

Most benefits can be calculated on a percent of wages paid. On each line, you must find or determine the rate, and then in the monthly column, multiply the sum of your monthly salaries and hourly wages by the appropriate rate. In the start-up column, use the sum of the start-up salaries and hourly wages and multiply by the rate.

List on the income side in the “In-Kind” column, any amounts under monthly or start-up that result from listing volunteers on the expense side. Remember that if you were actually paying for such services you'd have to pay for benefits as well. Thus by contributing services volunteers also contribute to “fringe”.

One of the items under benefits is “Vacation”. The CTC must have a vacation schedule for staff (see Chapter 4), and may have to hire temporary personnel in replacement. The cost of the temporary personnel is what goes on the Vacation line.

***Professional fees***

Lawyers, accountants, and other professional consultants usually charge a fee based on days. Others may charge by the hour. Honoraria, if and when paid, are usually for a particular meeting. Estimate the number of occasions (day, hours, or meetings) on each line for the month. Enter the rate. And again, in the monthly column, enter a formula that multiplies the number of occasions by the rate.

If the CTC has been able to acquire “pro bono” services (free services), enter the cost on the expenses side as if it had to be paid, and enter the same amount in the In-Kind column on the Income side.

It is likely that legal services may be high during start-up and lower during regular operations. Adjust accordingly.

***Total personnel***

Put a formula in the monthly and start-up columns that sums the four subtotals above. Be careful not to sum the entire column, just the subtotals.

## Other Operating Expenses (OOE)

### *Site costs*

For start-up amounts, unless major renovations to space are planned, one month's expenses will probably be sufficient.

Even if the CTC has been given free or reduced-rent space, enter the going rate for an equivalent square footage, and list the difference between that and what the CTC must pay in the In-Kind column.

Estimate the monthly utility costs from what others with similar space and load pay. If you are unsure, over-estimate to start with.

Water and sewage rates are usually obtainable from a local Building Department or Small Business Bureau.

In many urban locations, garbage cannot be hauled by the Department of Sanitation and a private contractor must be engaged.

Maintenance supplies include mops, buckets, sponges, brushes, toilet paper, paper towels, and cleaning supplies. Try to get an estimate from an agency with similar space.

### *Security and insurance*

Most of these costs are monthly or yearly. Divide any yearly cost by 12 for the monthly amount. Remember that if the space is used prior to opening, you must enter appropriate amounts for the start-up period.

### *Hardware & software*

Even if the total complement of hardware is to be purchased as part of start-up costs and so will be listed in the worksheet section following Other Operating Expenses, some amount should be included in the budget for replacement and/or expansion. If you put down \$200/mo, you'd be estimating \$2400/yr. for replacement expense.

Hardware maintenance should include the cost of any maintenance contracts on computers, printers, or other peripherals, or an estimate of what repairs will cost (this estimate should increase as the hardware gets older), and assistive technology tools and upgrades.

Software purchase for start-up will probably be larger than the monthly amount. Say 30 pieces constitute the planned library and the CTC intends to start with 20 of these. Put the cost of 20 in the Start-up column and the cost of one piece in the monthly column.

In estimating computer supplies, try to find an operating center of similar size or a commercial venture that rents computers by the hour and ask for their help.

### ***Office expenses***

Equipment maintenance includes maintenance contracts on copiers, fax machines, or other office equipment. Equipment replacement is, as it is for hardware above, a set-aside toward the inevitability of replacing the piece of equipment.

Stationery refers to letterhead, envelopes, business cards, labels—anything printed with the name of the CTC. If named individuals are to be listed on stationery, don't order a year's supply all at once. The names may change. Some of this cost can be assigned to start-up expenses as can probably a month's worth of copier paper and miscellaneous supplies.

### ***Communications***

On-line service is the monthly charge the CTC will be paying for its Internet connections and will depend on the type and nature of that service.

Telephone includes monthly bills for calls and faxes. If a pay phone is to be installed in the CTC for participant use, there will be a monthly charge for that as well.

Postage and shipping must include estimates for regular mail, for dissemination of outreach and PR materials, and for overnight mail charges.

### ***CTCNet***

If you are reading this, it is a reasonable assumption that your CTC is, or is about to become, an affiliate member of CTCNet, so annual membership should be in the budget. You can find updated membership information at <http://www.ctcnet.org>

Costs for attending meetings should include transportation and, if needed, costs of substitute personnel. Regional meetings are usually half- or one-day affairs and within car or public transport reach. The CTCNet Annual Conference will probably require air or train fare and a 3-night stay in conference lodgings.

## ***Outreach and public relations***

Media advertising includes ads placed in newspapers, on radio and/or television. It could also include posters, or placards in buses and subways. The CTC probably won't do much of this for real dollars, but may be able to get free advertising through public service announcements, the local press, or even the Advertising Council. If such is the case, don't forget to match the estimated cost with an entry in the In-Kind incomes columns.

Brochure and newsletter estimates can be obtained from local printers. Others can include banners (or special exterior display), or any special materials (e.g. film processing costs) required for presentations at conferences or meetings.

Since the CTC will need to launch its outreach campaign during the start-up phase, a generous portion of outreach and PR costs can be listed under Start-up.

## ***Educational materials***

Books include reference works, texts devoted to specific hardware, software, or the Internet. If a focus of the CTC is job training or adult education, other books may be necessary.

Periodicals include magazines and newspapers. The CTC should have a judicious collection of magazines devoted to technology. Subscription to a local daily or weekly newspaper is also a good idea. Try for gift subscriptions and list both the expense and the in-kind contribution.

## ***Travel, Professional Development, and Recognition***

Think about field trips for participants, reward dinners for volunteers, open house sessions at the CTC, regional or national conferences (in addition to the CTCNet conference) that staff should attend. Fund-raising may also call for travel, but CTCs should not have to wine and dine funders.

## ***Disability Accommodation***

Estimated costs should be provided for improving access for people with disabilities and functional limitations. Sometimes making ADA-related changes is relatively inexpensive and easy; the majority of modifications cost less than \$500. To establish sources of funds, be sure to:

- Determine if your organization's government funding sources have additional monies available for barrier removal.

- Create a line item in every budget for reasonable accommodation and barrier removal. Don't forget to include these line items in grant proposals and contracts.

Some access-related changes can be made immediately, and some will be made over a period of several years so a permanent line item in the budget is important. Funders will most likely allow these costs. An example of language for the budget narrative is:

“\$ xxx.00 Reasonable accommodation and barrier removal: to improve access (grab bars in bathroom, railing for steps); to contract for sign language interpreters as needed; to caption the video used to teach computer skills; to modify a work station; to purchase assistive technology; or to reproduce print materials in large print and on audio cassette.”

### ***Other***

Miscellaneous fees include bank charges, municipal fines for non-removal of snow, or any of the other little things that one finds one has to pay for. In addition, it will be helpful to get an accounting system in place to track expenses.

Discretionary funds are usually estimated at a percent of operating expenses (3-10%) and are reserved for special emergency expenditures.

### ***Total other operating expenses***

As with personnel, enter totals in both monthly and start-up columns of the subtotals in all the categories under Other Operating Expenses. Again, take care to total only the subtotals, not the entire column.

### ***Grand total personnel and OOE***

The sum of monthly “Total Personnel” and monthly “Total Other Operating Expenses” will be the monthly operating “nut” for the CTC. To look at the estimate for operation of the CTC for a year, multiply this number by 12.

You will need a similar total in the Start-up column, but this will eventually be added to the One-Time Start-up Costs total of the next section.

## One-Time Start-Up Costs

In all categories, continue to enter cost of donated equipment or services, and then make a similar entry in the In-Kind column.

- Site preparation -- Most of the items here will be contracted by the CTC.
- Furniture -- In this section, list for each item, the number of pieces and the estimated cost of each. Use a formula to find the total cost (multiply number of pieces by cost of each).
- Office equipment -- Follow the same procedure as with furniture, above.
- Computer equipment -- Again, follow the same procedure as with furniture in reference to all purchasable items. For cables and installation, you may have a contractual amount.

## Totals

Insert a total for all the startup costs listed. You don't have to worry about subtotals here; just total the column from Site Preparation on down.

Then, under GRAND TOTAL START-UP, sum the "Grand Total Personnel and OOE" and the "Total One-Time Start-up Costs" to get the Grand Total of Start-up.

CONGRATULATIONS! The hardest part of the worksheet is done! But now...

## The Income Projection Worksheet

### *First steps*

Using Exhibit 8.2, construct a spreadsheet (or make copies for pencil and calculator work).

On the TARGETS line, enter the Grand Totals for both Start-Up and Operating Expenses from your Projected Expenses worksheet. Note that the total Operating Expenses should be for a full year. If you haven't already done this, multiply the monthly grand total on the Expense worksheet by 12 and enter the result.

### *In-Kind*

Under INCOME, the first category is In-Kind. All the subsections from your

worksheet appear here. Enter the subtotals from the expense worksheet in the matching “Start-up” or “Operating” columns on the Income worksheet.

You’ve already put some figures in the In-Kind column. Total these now, both for Start-up and On-going Operations.

### ***Center revenues***

This is where you will enter money that the center earns through its operations. Notice that the Start-up column is X’d out.

If the CTC will not be charging any fees or soliciting any contributions from participants, this section can be skipped. Otherwise:

- enter the estimated number of members the CTC will have in a year
- enter the amount of the membership fee (add rows for different types of membership)
- in the “Operating” column, enter a formula that multiplies the number by the fee

Follow the same process for the remaining applicable items.

### ***Government grants***

Itemize here any federal, state, or local public funding for which the CTC is or will be applying. Enter the total amount requested, then a percent representing the likelihood of receiving the grant, and in the appropriate column multiply the amount requested by the rate of likelihood.

Funding can sought from local, state, and federal funding sources. Usually, any government application process requires evidence of the CTC’s track record. Furthermore, projects for which the CTC is requesting funds must closely match the funding criteria of the grant-making department. In contemplating application for government funding, a collaborative proposal with a more established non-profit, such as a college, university, or library, may be the preferred route.

### ***Local and State***

The community mapping process (see Chapter 2) should have identified specific local government agencies and their grant-making resources. The Steering Com-

mittee should inform itself about the potential of securing funds from any Community Development Block Grant program or other local initiatives.

### *Federal funding*

Following are some of the grant-making federal agencies. Visit appropriate government agency web sites or write requesting guidelines relating to grant availability. Congressionally-approved grant-making programs are also described in the Federal Register. A number of federal agencies maintain Web pages that describe funding availability, most of which are accessible from FirstGov (<http://www.firstgov.gov>). Do remember that all federal monies come with obligations to comply appropriately with non-discrimination regulations.

- **U.S. Department of Housing and Urban Development (HUD).** The property owner of HUD-insured or HUD-assisted housing developments may apply to HUD for permission to use certain funds under certain conditions. Be sure to check HUD's Neighborhood Networks web site for possible funding opportunities (<http://www.hud.gov/nnw/nnwindex.html>).
- **U.S. Department of Labor.** Offers funding primarily for employment and training programs and purposes (<http://www.dol.gov/>).
- **U.S. Department of Education.** Funding for educational programs, educational research, library programs, adult education. There is a special office for Educational Technology. Be sure to research the Department's CTC program (<http://www.ed.gov/offices/OVAE/AdultEd/CTC/index.html>).
- **U.S. Department of Health & Human Services.** Grants for preschool and afterschool activities. Check with your local HeadStart and Even Start programs for more information (<http://www.dhhs.gov/>).
- **U.S. Department of Commerce.** Offers grant support for electronic commerce. The Department web site will be your best bet for current information (<http://home.doc.gov/>). Maintains an annual competitive grant program under its National Telecommunications Information Administration (NTIA). Look for the Technology Opportunities Program (TOP) at <http://www.ntia.doc.gov>.

### *Foundation grants*

Itemize here any grant applications the CTC is or will be making to private and corporate foundations. Follow the same procedures as with "Government Grants" above, entering the total amount applied for, a likelihood rate, and then the resulting product.

Although there are occasional exceptions, most private and corporate foundations award grants only to non-profit organizations that are qualified for designation as “not a private foundation” under IRS code section 501(c)(3). If the CTC has been incorporated as a non-profit, or if its parent organization already has 501(c)(3) status, then it should pursue grant funding.

Sources for information about foundations include:

- The Foundation Center is a national, nonprofit clearinghouse for information on private and corporate foundations and grants. The Center assists in matching foundation interests with nonprofit needs by publishing reference books on grantmakers and disseminating information on grants (<http://www.fdncenter.org/>).
- The local public library should have manuals listing foundations by location, kind of activity, and level of funding. Begin with the foundations in your state. Ask the librarian for assistance in locating directories such as *1000 Foundations*, *Computer Grants Directory*, *Directory of Computer and High Tech Grants*, and *National Directory of Corporate Giving*.
- The yellow pages telephone book under “foundations.”
- Other neighborhood non-profit agencies that may be willing to share their grant-seeking experience.
- Local business associations (e.g., Chamber of Commerce) may make helpful local referrals.

**Note:** The United Way is a leading funding organization worth investigating. Many corporations, however, do not award grants to United Way fund recipients.

### ***Business & industry cash contributions***

Itemize here any cash contributions anticipated from local businesses.

- A supermarket chain may offer to match 5% of participating shoppers’ purchases during a specific week.
- The local Chamber of Commerce may help organize a canvassing of local business people.
- A local restaurant may designate a special day when a percent of its sales will be donated.

### ***Collaborations and subcontracts***

The CTC may have identified other neighborhood agencies that are applying for grants, either federally or from private foundations. If another agency is the prime applicant but the CTC is included as a recipient of grant funds, the income potential should be itemized here.

### ***Special events***

Fund-raising events are labor intensive and the dollar return is usually not high, but they are extremely useful in heightening community awareness of the CTC and they also give many people the opportunity to support the CTC with relatively small contributions.

If the purpose of an event is to heighten awareness of the CTC and get a lot of people involved, begin a tradition of an annual event such as a bike trip, a walkathon for which people collect pledges, or an auction (where, among other things, a Web page designed by CTC members can be auctioned). Other ideas include a dance, a block party or a fair where CTC members can display and sell their work or where CTC members who are self-employed can sell their goods and contribute a percentage of the proceeds to the CTC.

Itemize on the income worksheet any such events that have been or will be planned during the year. Provide a goal amount and a likelihood rate and enter the product as a total in the appropriate column.

### ***Direct mail***

Every CTC should mount an annual or even semi-annual solicitation of funds by mail. Steering Committee members should not only be counted on for contributions but also for lists of their friends and associates.

The solicitation can be in the form of a letter relating some particularly touching CTC success story. A contribution form should be included giving suggested amounts. Space can also be provided for people to list friends and associates who should be added to the list. Records should be kept (use a database) of contributions received, and these should be acknowledged.

In the beginning both the list and the rate of return will undoubtedly be small, but in time this method should not only be reduced to a science (saving labor) but produce increasingly rewarding results.

A good target amount for a first year can be found by taking the number of people on the Steering Committee and multiplying by 100. The likelihood rate

can then be estimated by a judicial guess as to how many Steering Committee members actually could or would contribute \$100.

### ***Other***

Itemize here any other fund-raising schemes the Steering Committee may have dreamed up, for example:

- Hiring a Director of Development or consultant to design fund-raising plan
- Individual contributions
- Telethons
- Contribution boxes in local computer hardware and software retail stores
- Contribution envelopes mailed in the monthly “coupon package” often distributed locally by a direct mail agent (try to get that agent to cover the cost of the contribution envelope)

Note: Door-to-door canvassing of residences, while used by some, is not recommended, particularly in urban areas. It requires a large number of volunteers and an even larger supply of public relations materials.

### ***Totals***

When the last brainstorm has been squeezed out of the Steering Committee and all resources checked and double checked and all appropriate entries made, enter a total in each of the Start-up and Operating columns.

### ***Margin (shortfall)***

The amounts here are found by subtracting the TARGET amounts at the top of the worksheet from the TOTAL amounts you just entered at the bottom. If there is a positive result (margin), that’s good news. More likely is that a negative amount, or shortfall, will show up.

A shortfall figure means that the Steering Committee will have to revisit the Income worksheet and identify additional sources, or that it will have to revisit the Projected Expenses worksheet and make cuts in the budget, or both. Unfortunately, the task of budgeting for the CTC is not over until the expenses and income either zero out or a plus margin has been achieved.

## The Grant Solicitation Process

Solicitation of funds and in-kind contributions involves both informal and formal means. When a Steering Committee member asks a business associate or friend to contribute funds or to make an in-kind contribution, this is informal fundraising. A request from a friend or longtime associate is a very effective means of raising money. Each Steering Committee member should be asked to be responsible for raising a set amount of funds, whether in cash or in-kind contributions.

Formal solicitation from private and corporate sources requires a four step process.

### *Step 1: Define the project.*

Know exactly what you are requesting the funds for:

- What is the need being addressed?
- What is the goal of the program?
- How will the project achieve this goal?
- How will progress/achievement be measured?

### *Step 2: Research*

Use the sources suggested earlier in this chapter to begin a database of potential funders that you will add to periodically as you get new referrals. Each record should contain the following information:

- Name of foundation
- Street Address
- Telephone and Fax numbers
- Email and Web addresses
- Name and title of suggested program officer
- Name of person who referred you to this program officer
- Grant-making areas (e.g., youth, elderly, educational technology, etc.)
- Geographic area of concentration (e.g., particular city or state)
- Range of grants awarded and size of average grant

- Preferred method of initial approach (e.g., phone call, letter, proposal)
- Deadlines for application
- Space to record your actions with their dates: (phone calls, letters, proposals submitted (with amount requested), acceptance/rejection, resubmission, etc.)

### *Next steps:*

Call each foundation and ask them to send their latest annual report. If your research has not given you the name of a program officer to contact, this is a good time to ask for that, and any other information you still need.

After reviewing the annual report, call the identified program officer. Remember that foundations not only want to give their money away, but they are required to do so. Their job is to identify the best or most promising recipients, so more often than not they are willing to engage in preliminary explorations over the phone. In some instances, a program officer may even be willing to make a site visit before asking for a full proposal. In other instances, the program officer may be able to make recommendations of other foundations to which you can apply.

### *Step 3. Write, and send, the proposal*

Proposal writing can be arduous and time-consuming. For this reason, it is helpful to have a “master-proposal” that can be sent to many foundations along with an individualized cover letter specifying the particular way in which the CTC program matches the foundation’s grant criteria.

The CTC Business Plan, outlined in Chapter 9, provides all the major elements of a master proposal, and, if word-processed and preserved on disk, can easily be cut or added to if a particular foundation or corporation has special requirements. Be careful to note on each foundation record the version or date of the master proposal sent. You do not want to send the same proposal twice to the same foundation.

Likely elements of a master proposal include (compare the above with the Program and Operations sections of the Business Plan):

- **A summary.** In the business plan, this is called the Executive Summary.
- **A narrative.** Five to six pages including the following parts:
  - statement of need—what issues the CTC is addressing

- project description—what the CTC is and is trying to do
- statement of capability—strengths and timetable for the CTC plan
- staffing plan—who will do what
- **A budget.** Identical to the Financials section of the Business Plan.
- **Attachments:** Resumes of senior staff, a roster of the Steering Committee, press clippings, letters of support, and brochures or PR materials, a copy of the CTC's 501(c)(3) designation from the IRS, and, if the business plan itself is not to be used as the master proposal, a copy of that document.

#### *Step 4: During the review process:*

If you have not yet met with the program officer, call a week to ten days after sending the proposal to request a meeting.

Inform all members of the Steering Committee that the proposal has been sent to this foundation and ask them to pursue any contacts they may have with the foundation's officers or board.

Although the foundation may take months to consider and respond to your proposal, keep the program officer informed by sending press clippings, news of other grant awards or equipment donations as they occur.

Invite the program officer to any open house or special event that the CTC is sponsoring.

#### *After acceptance :*

Upon notice of acceptance, write a thank-you letter.

Upon receipt of grant funds, write another thank-you letter. Continue sending news clipping and invitations to special events. Be diligent about meeting deadlines for requested reports.

About six months after the grant, call and ask about procedures for reapplication.

#### *After rejection:*

Call the program officer and try to find out why the proposal was rejected. Ask how the proposal could have been more effective.

Ask when the CTC is eligible to reapply. Write a note thanking the program officer for taking the time to talk with you. Continue sending news clippings and invitations to special events.

## Soliciting In-Kind Donations

The process is not dissimilar. Corporate sources can be added to your foundation database. Try to establish phone contact before sending a proposal. Discuss your needs and try to establish if a real potential exists.

Suppose you have been asked to send a proposal requesting a hardware donation. Prepare a plan that includes the following:

- a statement of how the software and hardware will benefit your program (for example, it might facilitate educational tasks, administrative tasks, or public access to the CTC);
- a description of minimum acceptable standards, the number of hardware systems you need and can physically accommodate, required peripherals, operating systems, and other software required for the intended use;
- the number of staff able to use the equipment and the number remaining to be trained;
- sources of assistance in providing staff development, program development, and technical assistance; and,
- the amount in the budget to support the above activities.

Once the contribution has been committed, get details of any donation from the donor. Such details include:

- the name, title, address, and phone number of the donor;
- how the donated systems and software differ from the plan with respect to type, components, memory, practicality of use, need for staff development, and so forth;
- the working condition of the hardware;
- the legal right of the donor to give the CTC the software and the legal right of the CTC to use it; and,
- the donor's willingness to pay for the delivery of the equipment to the CTC.

If the donated equipment is several years old, before acceptance, research the availability of repair services and spare parts.

With regard to any in-kind donation of hardware, do not agree to provide the donor with a written dollar evaluation of the donation. Do not accept a lower grade or earlier model than that which the CTC already owns unless there is a specific use for it. Finally, do not accept equipment in poor condition unless the funds are available to repair it and such repair will be cost effective.

## A Word on Sustainability

Funders, users, and neighborhood institutions are all going to want to know that what the CTC is asking them to invest in or to partner with is going to be “sustainable” or around beyond the first year. When developing the CTC’s budget and the financial plans sections of the business plan, be sure to emphasize how sustainable the Center will be after start-up and the first year’s operations. In fact, as described in the *Financial Plans* section of Chapter 9, the CTC will have to provide annual budgets for the first three years of operations to reflect “sustainability.” Experienced non-profit fundraisers will quickly tell fellow grantseekers that building a relationship with the funder is the cornerstone to a successful funding relationship. Look for ways that will build your relationship with local funders. More often than not, people give to people, not to words on paper. Obviously, multi-year commitments of money or in-kind contributions make the CTC more sustainable and will provide everyone with a degree of comfort that their investment will prove worthwhile.

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## Documentation

The process a CTC uses to solicit funds needs to be carefully documented.

- The spreadsheets created for estimating expenses and income are actually so important that the CTC should preserve them in several ways: on a hard drive, on an archive disk, and in hard copy.
- Research on corporate and private foundations should result in a database.
- Lists needed for canvassing local business and industry people should be maintained.

## Additional Resources

- **ACC-Resources-Sustaining a CTC**  
<http://www.americconnects.net/resources/default.asp?subid=4>
- **Alliance for Nonprofit Management — FAQs by Topic**  
<http://www.allianceonline.org/faqs.html>
- **America Connects Consortium Panel on Sustainability**  
<http://www.ctcnet.org/americaconnects/panel7/index.htm>
- **Basic Guide to Non-Profit Financial Management**  
[http://www.mapnp.org/library/finance/np\\_fnce/np\\_fnce.htm](http://www.mapnp.org/library/finance/np_fnce/np_fnce.htm)
- **CTCs Keys to Successful Planning, Implementation & Sustainability**  
<http://www.ctcnet.org/pub/telecommunity2000/planning.html>
- **Developing Your Fundraising Plan**  
[http://www.managementhelp.org/np\\_progs/fnd\\_mod/fnd\\_raise.htm](http://www.managementhelp.org/np_progs/fnd_mod/fnd_raise.htm)
- **DOC Illinois Web Site**  
<http://root.visualhighway.net/DOCIllinois/index.asp>
- **Foundation Center - Your gateway to philanthropy on the World Wide Web**  
<http://fdncenter.org/>
- **Grants Collection Orientation Manual**  
<http://www.lib.ci.tucson.az.us/grants/grantcon.htm>
- **Managing Your Nonprofit's Finances and Taxes**  
[http://www.managementhelp.org/np\\_progs/fnc\\_mod/fnance.htm](http://www.managementhelp.org/np_progs/fnc_mod/fnance.htm)



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## Exhibit 8-1: Keys to Successful Planning, Implementation & Sustainability

*Resource Paper Prepared for: "TeleCommunity 2000," 3rd Annual Community Network Technology Conference, December 11-12, 2000, Omni South Park Hotel, Austin, Texas*

### **Presenters:**

**Paul Lamb**, Founder, Street Tech, San Pablo, CA, <http://www.streettech.org>

**Michael Roberts**, Director, Information Technology Initiative, United Neighborhood Houses of New York, New York, NY, <http://www.unhny.org>

## The Scope

A community technology center (also called by many other names including: computer labs/rooms, computer learning centers, CTCs) in its broadest possible form is a multi-purpose education and training facility that can provide a wide range of computer technology related services to many different kinds of people. There is no one ideal type or model for a computer technology center. CTCs are located all over the United States in churches, housing projects, job training centers, settlement houses, cable public access centers, shelters, schools, human service organizations, museums, etc. Some are stand-alone programs in their own site. Others are a part of a larger organization. Some CTCs are fully staffed with paid, well trained program managers, computer instructors and computer systems support personnel. Others are staffed solely by volunteers (including senior citizens and college/high school students). Some CTCs are equipped with fairly modern, networked, multi-media computers with high speed Internet access, laser printers, scanners and digital cameras while others have outdated computers, slow printers and dial-up Internet access.

## Guiding Mission

Over the past 15-20 years, community technology centers have been at the fore front of a growing community-based, national movement. Their shared mission is to provide underserved populations in rural and urban communities with access to free and/or low cost computer and information technology resources. Officially more than 450 CTCs are members of the Community Technology Centers Network (CTCNet), the premier national membership organization that is one of the early pioneers in this movement. Countless other community based computer instructional programs quietly

exist throughout the country unaffiliated with CTCNet or other community technology consortia.

## Their Potential

When carefully planned and successfully managed, community technology centers can have a major impact on the lives of people as well as support the skills development and learning goals of an organization's programs. They can operate up to six days a week, eight hours or more a day, serving over a thousand individuals a year. Community technology centers can:

1. Provide an opportunity for participants and staff from different programs within an organization (i.e., community-based, multi-service agency) to learn computer skills. In such cases, the services provided by the CTC to each program within that organization are value added (FUNDABLE) components of those programs.
2. Serve as an income generating resource through fees for courses, membership dues and use of the CTC by outside groups or individuals.
3. Play a significant role in upgrading the employability skills of by providing computer technology resources to underserved community residents and groups.

How a computer technology center is planned and ultimately implemented depends on many factors including: an organization's priorities, needs (and those of the people/groups it serves), budget, resources (staff, physical site), planning skills, and an ability to get good answers to very technical questions.

**Exhibit 8-2: *Planning and Sustaining a CTC Worksheet***

<b>Participants</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
<p>Who will the CTC serve and why?</p> <p>Potential groups include: Agency program participants, drop-ins from the community, children, youth, adults, seniors, families, the homeless, unemployed youth/adults, at risk youth, agency staff (staff training), staff from other organizations.</p>			
<b>Programs/Services</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
<p>What kinds of programs and services will the CTC offer to the targeted group?</p> <p>Types of services include: scheduled computer applications classes; computer workshops; advanced technology training (for example: A+, Network+, MSCE, Cisco) for specific employment opportunities; open access (use of computer equipment &amp; software for self-paced learning/practice by groups mentioned above); group technology projects by youth in after-school programs; renting CTC facility to outside groups, etc.</p>			

<b>Staffing</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
How do you identify a diverse (skills, ethnicity, gender) staff that is sensitive to the differing socio-economic backgrounds, cultures, languages, educational levels and learning styles of the people attending the CTC?			
What is the staff's role in fostering a welcoming environment in the CTC that is safe, professional and reflects the diversity of the surrounding community?			
How do you ensure that staff has the opportunity to upgrade their skills in line with the new technologies and software they will need to train others to use?			
How do you retain good staff?			
<b>Management</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
What days/hours will the CTC be in operation?			
How will the CTC be staffed - Full-time, part-time, volunteers, student interns (paid, unpaid)?			
Who will be responsible for scheduling the use of the CTC?			
Who will be responsible for maintaining computer systems (including installing software, trouble-shooting, configuring computers and printers, cleaning systems)?			
How will the CTC be promoted throughout the community and/or within its parent organization?			

<b>Computer Systems</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
What kinds of computers, printers, scanners, etc. will be in the CTC?			
How will the computer systems be configured (networked or stand alone)?			
If systems are networked, what is the strategy for providing appropriate levels of access to various users to computer applications and files?			
What kinds of applications will be installed on the computers?			
Who will maintain the computer systems and other equipment in the CTC?			
<b>Physical Space</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
Where will the CTC be located in the organization, or if a stand-alone center, in the community?			
<b>Physical layout of CTC?</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
Appropriate furniture for computers, printers, peripherals, sitting, software, books, etc.?			
Security of room (doors, windows) and computer systems?			
Ventilation (heating, air conditioners, pipes)?			

<b>Budget</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
How much will it cost to operate the CTC in the first year? In the second year?			
Purchase and maintenance of computer systems and peripherals			
Supporting staff salaries - instructors, consultants, computer network support			
Software, computer literature, disks, computer paper, toner, etc.			
Furniture			
Phones and Internet access			
Membership fees, conferences			
CTC utilities			
Special events			
<b>Funding &amp; Sustainability</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
<p>How will the CTC be supported? Main sources of funding are:</p> <p>Grants - Federal, state and local government, private foundations, corporations, local businesses, individuals</p> <p>Fees - from classes, public access use, membership fees</p> <p>Donations - equipment and other computer related items, individual time (volunteers)</p>			

<b>Assessment and Evaluation</b>	<b>Don't Know This</b>	<b>Completed or Area of Strength</b>	<b>Want to Learn More</b>
<p>How will you document the use, value, effectiveness and impact of the community technology center's programs and activities on the individuals and groups who participate in such computer learning activities?</p>			
<p>How do you use these findings to improve the quality of the programs offered through the CTC?</p>			
<p>How do you use these findings to secure additional resources for the CTC?</p>			

